CONGRESS OF THE PHILIPPINES EIGHTEENTH CONGRESS Second Regular Session

## HOUSE OF REPRESENTATIVES

## H. No. 8783

BY REPRESENTATIVES AGLIPAY, ESCUDERO, ROBES, GERON, SY-ALVARADO, ROMUALDEZ (Y.M.), ROMUALDEZ (F.M.), MENDOZA, PALMA, SIAO, BRAVO, BORDADO, PLAZA, PANCHO, CABOCHAN, EBCAS, NIETO, SUANSING (E.), MARIANO-HERNANDEZ AND ACOP, PER COMMITTEE REPORT NO. 767

## 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

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

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

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:

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

(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

10 (c) Firmly commit to the professionalization of the private security industry by establishing 11 "Study Now, Pay Later" programs or providing scholarships for the continuing education and training of 12 all its personnel.

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.

15

1

**SEC. 4.** Definition of Terms. – As used in this Act:

(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;

4 (b) Armored Vehicle refers to a vehicle used in minimum security measures in the 5 continuance of protection in the transportation of cash, funds, checks, any negotiable documents, 6 or any other valuable item against crimes and other destructive causes. It is an extraordinary 7 vehicle made of bullet-resistant materials capable of withstanding the firepower of high-powered 8 firearms such as M16 and M14 rifles. Moreover, armored vehicles shall be equipped with a vault, 9 safe or a partition with a combination lock designed to prevent retrieval of the cargo while in 10 transit;

11 (c) Company Guard refers to a regular employee of a private company who is employed to 12 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 of
 the 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 of the 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 prerequisite 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;

3 (i) *Private Detective* refers to any licensed and qualified person, other than members of the 4 PNP or of the Armed Forces of the Philippines (AFP), guards of the Bureau of Jail Management and 5 Penology (BJMP), provincial, municipal or city jail guards, or any member of any other law enforcement 6 agency, to perform detective work on a compensated basis;

7 (j) Private Detective Agency refers to any entity that contracts, recruits, furnishes, or posts 8 private detective and protection agents, or provides detective, investigative and protection services, 9 or other detective and protective services as may be set by the PNP in consideration of a fee, reward, 10 commission, or compensation;

11 (k) Private Security Agency refers to any person, association, partnership, firm, company, 12 or private corporation that: (1) contracts, recruits, trains, furnishes, or posts any security guard to 13 perform its functions; (2) offers its services as a consultant or trainer on any security-related matter; 14 or its security guards for hire, commission, or compensation through subscription to individuals, 15 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 16 · 17 and international ocean vessels, airplanes, helicopters, seaports, airports, heliports, landing strips; 18 or (3) provides specialized security needs that the SOSIA may approve:

(I) 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;

1 (o) Private Security Services refer to the act of providing or rendering services for compensation, 2 to watch and guard an establishment, whether public or private, building, compound, area or property, 3 whether by land, sea, or air, as the case may be; to conduct access control or denial in any form, 4 whether physically, manually, or by electronic monitoring systems, for the purpose of securing such area 5 or property and at the same time ensuring safety and protection of persons within such areas; 6 to maintain peace and order within such areas; to provide or render canine security services to 7 complement the security requirement of a public or private establishment; or to conduct other activities 8 to cater to specialized security needs, as may be approved by the PNP-SOSIA, Civil Security Group (CSG).

٤.,

9 Private security services may have any or all of these components: security guard services, 10 protective agent services, detective agent services, security consultancy services, canine security services, 11 maritime security services, air security services, close protection security devices, or electronic security 12 devices such as, intrusion monitoring and closed-circuit television remote video surveillance. The exercise 13 of the foregoing, shall, as a matter of course, be subject to the limitations provided for by law. It shall 14 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;

33 (t) Security Consultancy Services refer to the services provided by licensed security personnel.
 34 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; and

3 (u) Special Detail Order refers to a written order and schedule of a private security agency 4 issued by a superior officer, usually the agency's branch manager, operations officer or the administrative 5 officer, directing the unarmed security guards to wear a special set of uniform approved by the SOSIA 6 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.

10 The operator or licensee of the said agency must be at least twenty-five (25) years old, a college 11 graduate, of good moral character, has no previous record of conviction of any crime or offense involving 12 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;

15

(b) Is mentally incompetent as declared by the court;

16

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

17 (d) Has previously had the license to operate or license to exercise security profession revoked.

18 The minimum capital requirement and minimum bank deposit required of private security agencies 19 .shall be determined by the Chief of the PNP in consultation with various stakeholders and shall be provided 20 for in the rules and regulations issued to implement this Act.

- SEC. 6. License to Exercise Private Security Profession. Any Filipino citizen may apply for a license 21 to practice the private security profession and engage in the occupation, calling or employment either as a 22 private security guard, private security officer, private detective, protection agent or private security 23 consultant, after complying with academic, scholastic, skills, and training requirements. For purposes of 24 securing an LESP, it is essential that a letter of authority to conduct training must be issued by the SOSIA. 25 Such training includes the pre-licensing requirements of the individual security guard and other security 26 personnel, the periodic and non-periodic in-service skill refreshers for such security personnel, and other 27 specialized, individual or group, private security personnel skills development. 28
- 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 subject to other requirements, prescribed hereunder:

34

35

(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; 1 2 (iii) Has taken a private security course or seminar and possesses adequate training; 3 (iv) Of good moral character and has not been convicted of any crime or offense involving moral 4 turpitude; (v) Physically and mentally fit; and 5 6 (vi) Has passed the neuro-psychiatric test and drug test administered by the PNP or other similar 7 government neuro-psychiatric and drug testing centers or facilities accredited by the PNP. 8 (b) Qualifications of a Private Security Guard. A person shall not be granted a license as a security 9 guard for employment in private security agencies and companies unless the applicant possesses the 10 following qualifications: 11 (i) A citizen of the Philippines; 12 (ii) At least a high school graduate; 13 (iii) Physically and mentally fit; (iv) Twenty-one (21) years old up to sixty (60) years old for security guard, and not more than 14 15 thirty-five (35) years old for new applicants and security guards in nonsupervisory position; 16 (v) Of good moral character and must not have been convicted of any crime or offense involving 17 moral turpitude; 18 (vi) Has passed the neuro-psychiatric test and drug test administered by the PNP or other similar 19 government neuro-psychiatric and drug testing centers or facilities accredited by the PNP; and 20 (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. 21 (c) Qualifications of a Security Officer. A person shall not be granted a license to practice as a 22 23 security officer unless the applicant possesses the following qualifications: 24 (i) A citizen of the Philippines; 25 (ii) Physically and mentally fit; 26 (iii) Of good moral character and has not been convicted of any crime or offense involving moral 27 turpitude; 28 (iv) Holds a baccalaureate degree or one who is without a baccalaureate degree but has earned and 29 completed at least seventy-two (72) units in any college or vocational school and has at least five (5) years' 30 experience in any supervisory position; 31 (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 32 33 government neuro-psychiatric and drug testing centers or facilities accredited by the PNP. 34 (d) Qualifications of a Security Consultant. A person shall not be granted a license to practice as a 35 security consultant unless the applicant possesses the following qualifications:

1 . (i) A citizen of the Philippines: 2 (ii) Physically and mentally fit; 3 (iii) Holds a baccalaureate degree; 4 (iv) Has at least ten (10) years' experience in the operation and management of security business; 5 (v) Of good moral character and has not been convicted of any crime or offense involving moral 6 turpitude; and 7 (vi) Has passed the neuro-psychiatric test and drug test administered by the PNP or other similar 8 government neuro-psychiatric and drug testing centers or facilities accredited by the PNP. 9 (e) Qualifications of a Private Detective. A person shall not be granted a license to practice as a 10 private detective unless the applicant possesses the following qualifications: 11 (i) A citizen of the Philippines; 12 Physically and mentally fit; (ii) 13 (iii) Of good moral character and must not have been convicted of any crime or offense of moral 14 turpitude; 15 . (iv) Holds a baccalaureate degree, preferably Bachelor of Laws; 16 (v) Has graduated from a criminal investigation and detection course offered by the PNP, the 17 National Bureau of Investigation (NBI), or any police training school, or a detective training course in any 18 . authorized or recognized training center; and 19 (vi) Has passed the neuro-psychiatric test and drug test administered by the PNP or other similar 20 government neuro-psychiatric and drug testing centers or facilities accredited by the PNP. 21 (f) Qualifications of a Protection Agent. A person shall be not be granted a license to practice as a protection agent unless the applicant possesses the following qualifications: 22 23 (i) A citizen of the Philippines; (ii) At least twenty-five (25) years old and not more than sixty (60) years old; 24 25 (iii) Of good moral character; 26 (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 27 28 any college or vocational school and has at least five (5) years' experience in any supervisory position; and 29 (vi) Has passed the neuro-psychiatric test and drug test administered by the PNP or Department of Health-accredited neuro-psychiatric and drug testing centers or facilities accredited by the PNP. 30 31 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 32 33 ... private security services shall first secure the necessary permit from the Chief of the PNP, which permit, as 34 approved, is a prerequisite in obtaining a license to operate.

1 (b) A license is required of any person who shall operate, manage or direct a licensed private 2 security, detective, or training agency. Except for those employed solely for clerical or manual work, the 3 owner, general manager, president and operations manager shall likewise secure a license to operate a 4 private security agency and provide security services.

5 (c) A license to operate a private security agency and provide security services shall not be granted 6 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;

9 (iii) Is mentally incompetent, as declared by the court;

10 (iv) Has failed a government-mandated drug test;

11 (v) Is a habitual drunkard or alcoholic; and

7

8

12 (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. LESPs 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 of the 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 of the PNP and stipulated in the implementing rules and regulations of this Act. The amount of the bond shall not be unjustified, prohibitive or unreasonable.

6 SEC. 9. Fees and Bonds to be Paid. – When all requisites for the issuance of the license have been 7 complied with, the Chief of the PNP or the duly authorized representative, shall issue a permit for the 8 issuance of such license and register the same, upon payment by the applicant of the annual national fee, 9 and such other fees in accordance with the schedules of fees to be determined in subsequent issuances or 10 orders by the PNP, through the SOSIA. The determination of the fees shall be made in coordination and in 11 consultation with the various stakeholders.

Licenses issued by the authorized representative of the Chief of the PNP are subject to the latter's review. Any provision of this Act or other laws to the contrary notwithstanding, the Chief of the 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 of the PNP pursuant thereto.

SEC. 10. Administrative Fee of Private Security Agencies. – To safeguard the existence of legitimate 16 private security agencies, the minimum administrative fee of private security agencies shall not be less than 17 18 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, 19 overtime pay, including retirement benefits under Republic Act No. 7641, otherwise known as the 20 "Philippine Retirement Pay Law", uniform, social benefits such as mandated contribution in the Social 21 Security System, Employees Compensation Commission, Home Development Mutual Fund or Pag-Ibig Fund, 22 Philippine Health Insurance Corporation (PhilHealth) and government taxes. 23

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.

30 SEC. 12. Employees Need Not Be Licensed. – Personnel employed solely for clerical or manual 31 work need not be licensed. All other personnel operating, managing or directing a licensed security agency, 32 including any person having any participation in the management or operation thereof, shall secure the 33 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 of the PNP or the duly authorized representative.

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

5

(a) Cancellation of a license to operate:

6 (i) When a private security agency takes part in an armed conflict either for private gain, or the 7 desire for material compensation, or for the advancement of an ideology or philosophy;

8 (ii) When a private security agency uses force or the threat of force to assert itself or those it 9 represents in a national or local electoral contest;

10 (iii) When a private security agency uses its authority to engage in human rights violations as 11 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 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 themaintenance of peace and order.

26 (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.

The Chief of the PNP is hereby directed to include in the IRR a procedure for lifting the suspensions which should not exceed one year.

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 3 4 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 5 personnel to help maintain peace and order, the prevention or apprehension of law violators, and in the 6 preservation of life and property without compromising the safety and security of the area where the 7 private security personnel are assigned. Deputized private detectives, watchmen or security guards shall 8 9 take orders from the Chief of the PNP through the SOSIA for the duration of an emergency, disaster or 10 calamities. 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 of the 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 of the 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 nonagricultural 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 nonagricultural 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.

5 In case a private security personnel is paid a salary lower than the minimum wage prescribed by 6 law, the private security agency and its client where the underpaid private security personnel is detailed 7 shall be solidarily liable for such violation.

8 If by law or wage order, the minimum wage of employees is ordered increased, it shall be the 9 duty of the client to immediately effect the corresponding increase to the salary of the guards. On the other 10 hand, it shall be the duty of the agency to likewise immediately increase the wages of the guards upon 11 adjustment made by the client. Failure of either the client or the agency or both of them to comply with any 12 law-mandated wage increase, shall make its officers and directors criminally liable in accordance with the 13 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:

18

(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, 13<sup>th</sup> month pay, and separation pay as may be provided in
 the service agreement or under the Labor Code, as amended;

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

24

(4) Social security and welfare benefits including SSS, ECC, PhilHealth, and Pag-Ibig Fund;

25 (5) Right to self-organization;

26 (6) Right to collectively bargain and negotiate, subject to the provisions of existing laws; and

27 (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.

8 Private educational institutions and training schools which offer such ladderized schedule or 9 program on training, courses, and programs to private security personnel, may receive subsidy from the 10 State through the provision of TESDA scholarship programs subject to existing Scholarship Guidelines to 11 insure professionalism among the private security personnel: *Provided*, That only those training schools, 12 institutes, academies, or educational institutions with a valid LTO and with registered programs under TESDA 13 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 persons or places conducting illegal gambling or other illegal activities. 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.

25 SEC. 23. Implementing Rules and Regulations. - The Chief of the PNP, in strict and public consultation with the Philippine Association of Detective and Protective Agency Operators Inc. (PADPAO) 26 and other national private security associations, representatives of private security personnel cooperatives, 27 and other stakeholders of the security industry, and subject to the provisions of existing laws, shall 28 promulgate the rules and regulations necessary to implement the provisions of this Act within ninety (90) 29 days from its effectivity. Furthermore, the Chief of the PNP, shall consult with PADPAO and other national 30 private security associations, private security cooperatives and other security industry stakeholders prior to 31 the issuance of all regulations and issuances related to and affecting private security agencies and private 32 33 security personnel. The PNP shall review the rules and regulations implementing this Act every three (3) 34 years.

13

ί.

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.

5 If the offender is a corporation, partnership or association, the penalty shall be imposed upon the 6 officer or officers of the corporation, partnership or association who participated in the decision that led to 7 the violation of any of the provisions of this Act, without prejudice to the cancellation of their license issued 8 by the SOSIA.

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

11 SEC. 25. Separability Clause. – If any part or provision of this Act is declared unconstitutional, the 12 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.

18 Approved,