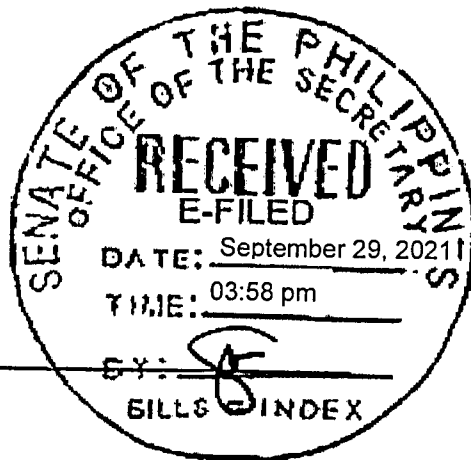


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

S E N A T E



COMMITTEE REPORT NO. 327

Submitted by the Committee on Public Order and Dangerous Drugs on
September 29, 2021.

Re: Senate Bill No. 2423.

Recommending its approval in substitution of Senate Bill No. 2405 taking into
consideration House Bill No. 8783.

Sponsor: Ronald "Bato" M. Dela Rosa

MR. PRESIDENT:

The Committee on Public Order and Dangerous Drugs to which was referred
Senate Bill No. 2405, introduced by Senator Ronald "Bato" M. Dela Rosa, entitled:

**"AN ACT
STRENGTHENING THE REGULATION OF PRIVATE SECURITY SERVICES
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 taking into consideration **House Bill No. 8783**, introduced by Representatives Michael Edgar Y. Aglipay, Evelina G. Escudero, Florida "Rida" P. Robes, Rico B. Geron, Jose Antonio R. Sy-Alvarado, et al., 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 has the honor to report it back to the Senate with the recommendation than the attached Senate Bill No. 2423, prepared by the Committee, entitled:

**"AN ACT
STRENGTHENING THE REGULATION OF PRIVATE SECURITY SERVICES
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 approved in substitution of Senate Bill No. 2405 taking into consideration House Bill No. 8783, with Senator Dela Rosa as author thereof.

Respectfully submitted:


Chairperson



RONALD "BATO" M. DELA ROSA

Vice Chairpersons

CHRISTOPHER BONG GO



PANFILO M. LACSON

Members



EMMANUEL D. PACQUIAO

RICHARD J. GORDON



FRANCIS "TOL" N. TOLENTINO



RAMON BONG REVILLA, JR.

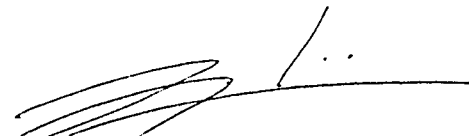
LEILA M. DE LIMA

Risa Hontiveros - Sarapul
RISA HONTIVEROS

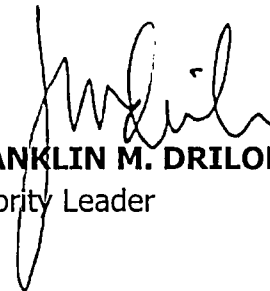
Ex-Officio Members



RALPH G. RECTO
President Pro-Tempore



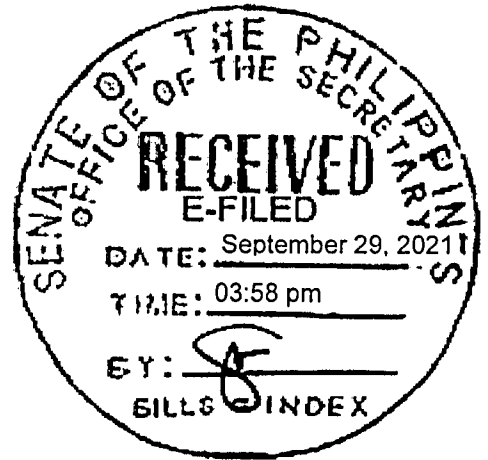
JUAN MIGUEL F. ZUBIRI
Majority Leader



FRANKLIN M. DRILON
Minority Leader

HON. VICENTE C. SOTTO III
Senate President

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



SENATE

S.B. No. 2423

(In substitution of Senate Bill No. 2405, taking into consideration
House Bill No. 8783)

Prepared by the Committee on Public Order & Dangerous Drugs with Senator Dela Rosa as author thereof

AN ACT
STRENGTHENING THE REGULATION OF PRIVATE SECURITY SERVICES
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 the House of Representatives of the Philippines in Congress assembled:

CHAPTER I

GENERAL PROVISIONS

1 SECTION 1. *Short Title.* - This Act shall be known as "The Private Security
2 Services Industry Act".

3 SEC. 2. *Declaration of Policies.* - The State recognizes the vital role of the
4 private sector in the protection of the people and safeguarding of property as well as
5 maintenance of peace and order in the country.

6 Towards this end, the State shall adopt measures to strengthen the regulation
7 of private security services industry and establish quality standards to ensure

1 competent private security personnel and professionals that complements our law
2 enforcement authorities in preservation of public order in the country.

3 *SEC. 3. Definition of Terms. – As used in this Act:*

- 4 a. *Armored Vehicle Security Service* refers to the service of providing armored
5 vehicle transportation to banks, financial institutions, and other entities
6 transporting valuable items or goods;
- 7 b. *Armored vehicle* refers to a vehicle that can withstand Class-A light weapons
8 and extreme degrees of heat, designed to ensure the safe transportation of
9 cash, funds, checks or any valuable item against crimes and other destructive
10 causes;
- 11 c. *Company Guard Force* refers to a security force maintained and operated by
12 any private sole proprietorship, one-man corporation, company/corporation,
13 association or cooperative utilizing any of its employees to watch, secure or
14 guard its business establishment premises, compound or properties;
- 15 d. *License to Exercise Security Profession (LESP)* refers to a permit issued by the
16 Chief of the Philippine National Police (PNP) or the duly authorized
17 representative, recognizing a natural person to be qualified to perform the
18 duties as security professional or training personnel;
- 19 e. *License to Operate (LTO)* refers to a permit issued by the Chief PNP or the duly
20 authorized representative, certifying and authorizing a person to engage in
21 employing and deploying security guards, K9 teams, protection agents, private
22 detectives and other licensed specialized security personnel; or a juridical
23 person to establish, engage, direct, manage or operate a private detective
24 agency or private security agency or company guard force after payment of

1 the prescribed dues or fees and after complying with all the requirements as
2 provided by the rules and regulations implementing this Act;

3 f. *Pre-Licensing Training Programs* refer to licensing pre-requisite and pre-
4 licensing training programs that include all training and academic programs
5 and courses with the objective to indoctrinate the individual with the basic skills
6 and educational backgrounds necessary in the effective exercise and
7 performance of the security and detective profession. These include, but are
8 not limited to, the Basic Security Guard Course and the Security Officers
9 Training Course;

10 g. *Private Investigator* refers to a duly licensed private security personnel to
11 perform detective, investigative and business intelligence;

12 h. *Private Investigation Agency* refers to any duly licensed entity that employs
13 and deploys private investigators; or provides detective and investigative
14 services in consideration for a management and administrative fee;

15 i. *Private Security Agency* refers to any person, natural or juridical, who contracts,
16 recruits, trains, furnishes or posts any security guard, to perform its functions
17 or solicit individuals, businesses, firms, or private, public or government-owned
18 or controlled corporations to engage its service or those of his/its security
19 guards, for hire, commission or compensation thru subscription or as a
20 consultant/trainer to any private or public corporation whose business or
21 transactions involve national security or interest like the operation and/or
22 management of domestic or ocean vessels, airplanes, helicopters, seaports,
23 airports heliports, landing strips etc., or as consultant on any security related
24 matter, or to provide highly specialized security, private escort, detective and

1 investigation services like gangway security, catering security, passenger
2 profiling, baggage examination, providing security on board vessels or aircraft,
3 or other security needs that PNP may approve;

4 j. *Private Security Industry* refers to the industry that is engaged in providing
5 security consulting, management, administration, operation, and provision of
6 private or company watchman, guarding, investigative work, security training,
7 K9 security, armored vehicle security services, alarm system monitoring
8 services, closed-circuit television (CCTV) suppliers and other providers of
9 security hardware, security hardware operation, personal protection services,
10 security consultant;

11 k. *Private Security Professional* refers to a person who is issued a valid LESP of
12 any classification or category, issued by the designated government agency
13 after satisfying all the qualifications and requirements set for by this law and
14 its implementing rules and regulations. It includes Security Watchmen, Security
15 Guards, Security Officers, Personal Security Escorts, Private Investigator,
16 Training Officers and Directors, K9 Handlers, K9 Administrators, K9 Evaluators,
17 K9 Trainers, Kennel Masters and other Certified or Licensed Security Service
18 Providers rendering or performing security, Investigation, Security Escorting
19 Services, Security Hardware Planners and Systems Designers, Security
20 Hardware Operators, Security Managers, Security Consultants whether
21 employed by private security agencies, private corporations, government
22 agencies or independently practicing or providing professional security
23 services;

- 1 l. *Private Security K9 Service Provider (PSKSP)* refers to a business entity that is
2 certified and registered with the Bureau of Animal Industry purposely to provide
3 private canine services, establish, maintain and operate a facility and other
4 forms of confinement of kennel/canine/dog where they are bred, treated,
5 maintained or kept either for sale or trade or for training;
- 6 m. *Private Security Services* refers to the act of providing or rendering security
7 services for compensation pursuant to a mutually agreed terms of reference
8 and contract and shall include the act of providing or rendering services to
9 watch an establishment whether public or private, building, compound/area or
10 property, to conduct access control/denial in any form whether physically,
11 manually or scientifically by electronic monitoring systems, for the purpose of
12 securing such area/property and at the same time ensuring safety and
13 protection of persons within such areas, to maintain peace and order within
14 such areas, to conduct private security training, and/or to conduct
15 investigation. It shall also include the act of contracting, recruiting, training,
16 furnishing or posting any security guard, to do its functions or solicit individuals,
17 businesses, firms, or private, public or government-owned or controlled
18 corporations to engage his/its service or those of his/its security guards, for
19 hire, commission or compensation through subscription or as a
20 consultant/trainer to any private or public corporation;
- 21 n. *Private Security Training* refers to training and academic programs and courses
22 duly approved and prescribed by the PNP and adopted by the Technical
23 Education and Skills Development Authority (TESDA). It includes the pre-
24 licensing requirements of individual security guards and other security

1 personnel approved by RA 5487, the periodic and non-periodic in-service skill
2 refreshers for such security personnel, and other specialized, individual or
3 group, private security personnel skills development;

4 o. *Security Consultant* refers to a security professional authorized by law to
5 provide security services such a designing and formulation of a Security Plan,
6 Threat and Vulnerability Assessment, Resiliency Planning, Security Surveying,
7 Security Auditing, Risk Management, Travel Security Training, Event Security
8 Planning and Management, Emergency and Incident Planning and
9 Management, Crisis Management, Business Continuity and other services
10 related to the formulation of security-related solutions other than providing
11 guards and watchmen;

12 p. *Security Hardware* refers to any mechanical or electrical device, which is
13 designed and used for the detection of an unauthorized entry into a facility,
14 for alerting others of the commission of an unlawful or unauthorized act
15 within a building, structure or facility, identification and screening, control,
16 repel and prevent entry of persons and vehicles of person and materials,
17 recording and documentation of activities and events, repel and prevent
18 aggression to a person or a facility; and

19 q. *Security Hardware and Systems Designers and Planner* refer to the security
20 professional who specializes in the design of security systems using a
21 combination of security software and hardware to address security
22 requirements of a facility and the training for their operation and
23 maintenance.

1 **CHAPTER II**

2 **REGISTRATION AND LICENSING OF PRIVATE SECURITY AGENCY**

3 SEC. 4. *Private Security Agency (PSA)*. – Any Filipino citizen or juridical entity
4 wholly owned and controlled by Filipino citizens may organize a private security agency
5 and provide security services: *Provided*, That they shall not employ more than two
6 thousand (2,000) private security professionals as defined in this Act.

7 SEC. 5. *PSA Operator or Licensee*. – No applicant shall be granted license to
8 operate PSA unless the applicant possesses the following qualifications:

- 9 a. Must be at least twenty-five (25) years of age;
- 10 b. Must hold a bachelor's degree;
- 11 c. Must be a part owner of the company or in case of juridical entity, holder of at
12 least one (1) share of stock with voting rights;
- 13 d. Must be of good moral character;
- 14 e. Must not have been convicted of any crime or offense involving moral turpitude;
- 15 and
- 16 f. Must be physically and mentally fit, and passed the neuro-psychiatric test and
17 drug test administered by the PNP or other similar government centers and
18 facilities:

19 *Provided*, That in case of juridical entity, the named operator or licensee shall
20 be its President or any of its directors complying with the above requirements and
21 duly authorized by their Board of Directors.

22 SEC. 6. *License to Operate (LTO)* - A license to operate (LTO) issued by the
23 Chief PNP is required to operate and manage a PSA and, PSTA: *Provided*, That LTO
24 for PSTA shall be granted only to a training school, institute, academy, or educational

1 institution which offers courses prescribed and approved by the PNP or training
2 programs accredited by TESDA.

3 SEC. 7. *Period of Validity of LTO.* – LTO issued to PSA and PSTA shall be valid
4 for a maximum period of five (5) years, subject to renewal: *Provided,* That the Chief
5 PNP may set a shorter validity period for LTO with applicable fees adjusted
6 accordingly.

7 SEC. 8. *Fees and Bond to be Paid* – Every application for LTO shall be
8 accompanied by a bond issued by competent or reputable surety, fidelity or insurance
9 company, duly accredited by the Insurance Commission. The bond shall be used to
10 answer to any valid and legal claim against the agency by its clients or employees.
11 The amount of bond shall be determined by the Chief PNP depending on the number
12 of PSPs employed.

13 SEC. 9. *Administrative Fee of Private Security Agencies.* - The minimum
14 administrative fee that may be charged by PSAs to its clients shall not be less than
15 twenty per cent (20%) of the total contract cost, subject to adjustment by the
16 Department of Labor and Employment: *Provided,* That additional fees shall be charged
17 for the acquisition and maintenance of extraneous tools and equipment used for
18 security operation by the agency required by the clients and for the continuous
19 deployment of private security professionals in hazardous conditions.

20 SEC. 10. *Issuance of Firearms.* – PSA shall be entitled to possess firearms
21 after having successfully passed the requirements prescribed by the Chief PNP and in
22 accordance with Republic Act No. 10591, entitled "An Act Providing for a
23 Comprehensive Law on Firearms and Ammunition and Providing Penalties Thereof":
24 *Provided,* That PSA shall only be allowed to possess small arms, not exceeding one

1 (1) firearm for each PSP, to include single-post, in its employ: *Provided, further,* That
2 possession of firearms by PSPs shall only be allowed during its tour of duty, in proper
3 uniform, within the compound of the establishment, except when they escort and
4 secure large amounts of cash or valuables, which firearms must be determined by the
5 PNP: *Provided, finally,* That inventory of firearms of PSAs shall be subject to periodic
6 inspection by the PNP.

7 SEC. 11. *Uniform.* –The uniform of private security personnel shall be different
8 from the uniform worn and prescribed for members of the Armed Forces of the
9 Philippines (AFP), the PNP and other law enforcement authorities. The Chief PNP,
10 through the authorized representative, shall prescribe the uniform, ornaments,
11 equipment and paraphernalia to be worn by the private security professionals while
12 on duty.

13 CHAPTER III

14 PRIVATE SECURITY PROFESSIONALS

15 SEC. 12. *License to Exercise Private Security Profession (LESP).* - No applicant
16 shall be granted license to exercise Private Security Profession unless the applicant
17 possesses the following qualifications:

- 18 a. Must be of legal age;
- 19 b. Must be a Filipino citizen;
- 20 c. Must be physically and mentally fit;
- 21 d. Must be of good moral character; and
- 22 e. Must not have been convicted of any crime involving moral turpitude.

23 For purposes of securing an LESP, a letter of authority to conduct training must
24 be issued by the Supervisory Office for Security and Investigation Agency (SOSIA).

1 Such training includes the pre-licensing requirements of the individual private security
2 professionals, periodic and non-periodic in-service skill refreshers for such security
3 personnel, and other specialized, individual or group, private security personnel skills
4 development: *Provided*, That the Chief PNP shall provide for additional qualifications
5 for Security Consultant and Security Officers based on the industry requirements and
6 practice.

7 SEC. 13. *Period of Validity of LESP.* - The LESP of duly qualified private security
8 professionals shall be valid for a period of five (5) years from the date of its issuance.

9 SEC. 14. *Pre-Licensing Training.* - No person shall be granted LESP without
10 undergoing Pre-Licensing Training Program as defined in this Act. *Provided*, That the
11 PNP shall encourage opening of local and regional security training centers to provide
12 pre-licensing trainings to applicants.

13 SEC. 15. *Ladderized Training and Education.* – The PNP, in partnership with
14 private security training institution or public institutions duly accredited by the
15 government to provide such training education to private security professionals, shall
16 develop ladderized training and education which include basic security guard courses,
17 specialized security guard courses, security officers training courses, detective training
18 courses, and candidate protection agent courses. It shall also include enhancement
19 trainings, such as but not limited to, supervisory trainings, personal upliftment and
20 other specialized trainings to place the security professional a level up from his current
21 position.

1 **CHAPTER IV**

2 **PENAL PROVISIONS**

3 SEC. 16. *Penal Clause.* – Any violation of the provisions of this Act, after due
4 notice and hearing, shall suffer the corresponding penalties herein provided:

5 a. A license to operate of PSA may be cancelled, revoked or suspended by the
6 Chief PNP when:

- 7 1. It takes part in an armed conflict against the government;
- 8 2. It uses force or the threat of force or those it represents in a
9 national or local electoral contest;
- 10 3. It uses its authority to be involved in human rights violations;
- 11 4. It is used as a privately-owned and operated para-military
12 organization operating outside of the regulatory framework
13 established by this law and the implementing rules and
14 regulations adopted by the PNP;
- 15 5. It intentionally and maliciously makes use of electronic security
16 devices or remote video surveillance in a manner that violates the
17 privacy of civilians;
- 18 6. It acted grossly negligent in dealing with violations, or mistakes
19 of its members, or incompetency in its ranks;
- 20 7. Its named operator or licensee is convicted by final judgement of
21 any crime or felony;
- 22 8. It violates any provision of the Labor Code of the Philippines, as
23 amended, including its implementing rules and regulations; and

1 9. It acted in a manner which renders the private security agency a
2 detriment to the maintenance of peace and order.

3 b. Any PSAs or any entity which operates without a valid LTO shall suffer the
4 penalty of fine of not less than one million pesos (P1,000,000.00) and not more
5 than five million pesos (P5,000,000.00) at the discretion of the Chief PNP;

6 c. Any PSAs or any entity which operates with an expired LTO shall suffer the
7 penalty of fine of not less than fifty thousand pesos (P50,000.00) and not more
8 than one hundred thousand pesos (P100,000.00) at the discretion of the Chief
9 PNP.

10 d. Any person practicing Private Security Profession without a valid license or
11 expired license shall suffer the penalty of fine of not less than fifty thousand
12 pesos (P50,000.00) and not more than one hundred thousand pesos
13 (P100,000.00) at the discretion of the Chief PNP. The same penalty shall be
14 imposed upon a PSA who shall deploy any person practicing Private Security
15 Profession without a valid or expired license;

16 e. Any person who offers to render or renders services to persons or places
17 conducting illegal activities shall suffer the penalty of imprisonment of not less
18 than twelve (12) years and one day to twenty (20) years, and a fine of one
19 million pesos (P1,000,000), at the discretion of the court, without prejudice to
20 criminal prosecution under other laws;

21 f. Any person who violates any of the provisions of this Act not mentioned in the
22 preceding subsections shall suffer the penalty of imprisonment of not less than
23 six (6) months and one day to six years, or a fine of one million pesos
24 (P1,000,000), or both, at the discretion of the court, and cancellation or

1 suspension of its license with forfeiture of the bond without prejudice to
2 criminal prosecution under other laws.

3 If the offender is a juridical entity, the penalty shall be imposed upon the officer
4 or officers of the juridical entity who participated in the decision that led to the
5 violation of any provision of this Act, without prejudice to the cancellation of their
6 license issued by the PNP.

7 **CHAPTER V**

8 **MISCELLANEOUS PROVISIONS**

9 *SEC. 17. Implementing Rules and Regulations (IRR).* - The Chief PNP, in
10 consultation with stakeholders and other national private security associations,
11 representations of private security cooperatives and other stakeholders of the security
12 industry, and subject to the provisions of existing laws, shall promulgate the rules and
13 regulations necessary to implement the provisions of this Act within ninety (90) days
14 from its effectivity. Furthermore, the Chief PNP shall consult with the said stakeholders
15 prior to the issuance of all regulations and issuances related to and affecting the
16 private security services industry. The PNP is mandated to review the IRR every three
17 (3) years.

18 *SEC. 18. Separability Clause.* - If any part or provision of this Act is declared
19 unconstitutional, the remainder of this Act or any provisions not affected thereby shall
20 remain in force and effect.

21 *SEC. 19. Repealing Clause.* - Republic Act 5487 is hereby repealed. All other
22 laws, presidential decree or issuance, executive order, letter of instruction, rules,
23 regulations and administrative orders inconsistent with the provisions of this Act are
24 hereby repealed or modified accordingly.

1 SEC. 20. *Effectivity.* – This Act shall take effect fifteen (15) days after its
2 complete publication in the Official Gazette or in a newspaper of general circulation.

Approved,