

**Michigan Office of Administrative Hearings and Rules**  
MOAHR-Rules@michigan.gov

**AGENCY REPORT TO THE  
JOINT COMMITTEE ON ADMINISTRATIVE RULES (JCAR)**

**1. Agency Information**

**Agency name:**

Licensing and Regulatory Affairs

**Division/Bureau/Office:**

Corporations, Securities, & Commercial Licensing

**Name of person completing this form:**

Mitchell Page

**Phone number of person completing this form:**

517-241-6659

**E-mail of person completing this form:**

PageM6@michigan.gov

**Name of Department Regulatory Affairs Officer reviewing this form:**

Elizabeth Arasim

**2. Rule Set Information**

**MOAHR assigned rule set number:**

2023-80 LR

**Title of proposed rule set:**

Private Security Guard and Security Alarm Agencies

**3. Purpose for the proposed rules and background:**

The general purpose of these rules is to bring more clarity to the regulation of the private security industry. Since the rules for 1968 PA 330 were rescinded in 2014, standards of practice have become disjointed as it pertains to advertising, badges and patches, and subcontracting. These rules aim to fix some of that confusion, foster a safer industry for the public, and establish a fair playing field for licensees.

Specifically, the new rules will lay out badge and uniform requirements, the parameters surrounding advertising and agency names, and establish clear guidelines for contracting and subcontracting practices.

**4. Summary of proposed rules:**

The rules will bring needed clarity to the regulation of the private security industry. They aim to clarify requirements regarding advertising, badges and patches, and subcontracting, by more clearly laying out badge and uniform requirements, parameters surrounding advertising and names, and employee and employer responsibilities. The rules are intended to ensure fairness in the industry and to help protect both the public and those who use private security services.

**5. List names of newspapers in which the notice of public hearing was published and publication dates:**

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The Mining Journal – April 18, 2025.  
The Grand Rapids Press – April 24, 2025.  
The Oakland Press – April 22, 2025.

**6. Date of publication of rules and notice of public hearing in Michigan Register:**

5/15/2025

**7. Date, time, and location of public hearing:**

5/20/2025 09:00 AM at Jupiter Room , 2407 N Grand River Ave, Lansing, MI 48906

**8. Provide the link the agency used to post the regulatory impact statement and cost-benefit analysis on its website:**

<https://ARS.apps.lara.state.mi.us/Transaction/RFRTransaction?TransactionID=1507>

**9. List of the name and title of agency representative(s) who attended the public hearing:**

Linda Clegg – Department of Licensing and Regulatory Affairs  
Bradley Horton – Department of Licensing and Regulatory Affairs  
Mitchell Page – Department of Licensing and Regulatory Affairs

**10. Persons submitting comments of support:**

None.

**11. Persons submitting comments of opposition:**

None.

**12. Persons submitting other comments:**

Stephen Alexander, Alliance Risk Mitigation Strategies; Jared Rodriguez on behalf of the Michigan Association of Security and Investigative Professionals (“MASIP”); Steve Amitay on behalf of the National Association of Security Companies (“NASCO”); Michael McDaniel, General Counsel for City Shield Security Services, LLC; Adam Nelson, Cerberus Security; Joy Pitman, President of Accurate Networks.

**13. Identify any changes made to the proposed rules based on comments received during the public comment period:**

	<b>Name &amp; Organization</b>	<b>Comments made at public hearing</b>	<b>Written Comments</b>	<b>Agency Rationale for Rule Change and Description of Change(s) Made</b>	<b>Rule number &amp; citation changed</b>
1	Jared Rodriguez, MASIP		“MASIP requests clarification regarding whether a badge would satisfy the uniform identification	Added “except for an employee who is monitoring a security alarm system” after “MCL 338.1052,” in order to clarify	R 28.4002

MCL 24.242 and 24.245

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			<p>requirement in lieu of name patches. Specifically, can an employee's badge displaying their name meet the requirement to display the employee's name on the uniform, or must the name be "sewn or printed" directly onto the garment?</p> <p>Additionally, MASIP seeks clarification regarding non-public-facing personnel, such as administrative staff or office workers. Are these employees also subject to the uniform requirement, or is the rule limited to those employees actively engaging in public-facing or field duties?"</p>	<p>that the uniform requirements are applicable to those who are actively engaging in the providing of security services, and not necessarily internal-facing employees unless they too are directly providing public-facing security services in some way.</p> <p>Amended a sentence to read "The uniform must display at least the last name of the employee..." rather than just "the name of the employee" so as to clarify what exactly the department is looking for with this requirement for an employee's patch and uniform. Specifically, this is an effort to clarify that a badge does not satisfy this requirement as the rule states that the uniform itself needs to display at least a last name, whether that be directly sewn into the fabric, or as a patch or other</p>	
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				method which makes it a piece of the uniform, and states that at least the last name must be visible on the outermost article of clothing. By ensuring that a last name is displayed for the public to see, it increases transparency . Furthermore, requiring that it be part of the uniform and not just a badge prevents it from being removed at will, and increase the likelihood that it will always be visible to the public.	
2	Michael McDaniel, City Shield Security Services		“Besides the undue subjectivity, the wording “law enforcement personnel badge” is also too vague and ambiguous to be enforceable. The only place that language has ever been used in Michigan before was in the earlier rules promulgated by the Department of Labor and Economic Growth. There is no definition for	Amended the language to read “A badge must have the name of the agency as licensed with the department and must not be star shaped.” And eliminated “and it must not resemble a law-enforcement personnel badge that could deceive or confuse the public”. This change is an effort to ensure that the goal of the rule – to ensure badges display transparent	R 28.4003

			<p>the phrase. Almost every municipal law enforcement jurisdiction in Michigan designed and introduced their own badges and patches, with varying colors, internal details, shapes and accouterments.”</p>	<p>information about who is providing services and that they are not in any way to be seen as law enforcement officers – is captured without creating an overly-broad prohibition on designs. The ban on a star shape has been longstanding practice, both when the rules used to be in effect, and in practice when department officials approved badges without rules. The department believes that keeping in the ban on star-shaped badges is an important requirement to lessen the chance that the public may view security business employees as law enforcement officers.</p>	

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3	Stephen Alexander, Alliance Risk Mitigation Strategies	<p>“This rule 5, daily supervision. As I understand this statement, the qualifying officer needs to have it says operational supervision of the agency and David so to me what that says is that someone who has an office you know in Lansing is in the office and in Detroit can't have the same. Or would you call it can't have the same qualifying officer because you know I may have stipulations for this is what needs to happen that's how it goes that doesn't to me satisfy the daily operational supervision of the agency component if it does great if I'm mistaken, great, but if not I would very much appreciate some clarification on that.”</p>		<p>Added “A qualifying officer may also be responsible for the daily operation and supervision of an agency’s branch licenses.” to clarify confusion over whether each location must have a separate individual as a qualifying officer. With this change, the department hopes to convey that there simply must be an individual qualifying officer who oversees daily operations and supervision of the agency as a whole, that they must be involved with the agency overall, and not necessarily physically present at all locations at all times.</p>	R 28.4005
4	Steve Amitay, NASCO		<p>"The requirements of section MCL 338.1060 have nothing to do with conducting background checks and essentially just say that a licensee (agency) shall follow the Law</p>	<p>Eliminated “an annual multijurisdictional ” and added “every 2 years upon renewal of a license” following “criminal background check of employees”. Corrected reference to</p>	R 28.4006(2)

			<p>and Agency Rules." "For the following substantive, statutory, operational, and other reasons, NASCO and its members in Michigan request that LARA table Rule 6 subsection (2) for further analysis and consideration. In the alternative, NASCO urges LARA to modify the background check requirement to a more rational and justifiable interval such as every 2 or 3 years. NASCO also requests that LARA provide the public with more information and details on how the proposed requirement would be satisfied by security agencies."</p>	<p>section 17 rather than 10 of the act. This change was made to match language in the act, which is simply "criminal background check", to correct reference to statutory authority in the rule, and to ensure that Michigan's background check requirement is not overly burdensome when compared to other jurisdictions. As the comment suggests, an annual background check would impose a new monetary burden that is more stringent than surrounding states. Instead, the department has opted to match the requirements of fellow Great Lakes state, Wisconsin, to make it a 2-year requirement at time of renewal of license. The department believes that this is a reasonable interval that maintains the intended goal of</p>	
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				<p>this rule: to protect the public and ensure that convicted felons are not engaging in the providing of security business services throughout the time that they are employed, and not just upon hire. As to the comment's request for information on how to comply, the conducting of criminal background checks is outlined in statute, and this rule does not alter that process.</p>	
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14.Date report completed:  
9/3/2025