

U.S. Department of Justice
Law Enforcement
Assistance Administration

REPORT ON THE MEETING OF
JULY 8-10, 1975

PRIVATE
SECURITY
ADVISORY
COUNCIL

LOA
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1. SUMMARY

A meeting of the Private Security Advisory Council (PSAC) to the Law Enforcement Assistance Administration (LEAA), U. S. Department of Justice, was held at the Mariott Motor Hotel, O'Hare International Airport, Chicago, Illinois, on July 8-10, 1975. The meeting was convened at 1:00 PM July 8th by Chairman Arthur J. Bilek and adjourned at 12:20 PM on July 10, 1975.

The following members of the Private Security Advisory Council were in attendance:

Arthur J. Bilek (Chairman)	Edward W. Hyde
Jim L. Bridges	David B. Kelley
Richard C. Clement	Howard L. Mai (Vice Ch'man)
Richard F. Cross	George A. Smith, Jr.
Don R. Dering	Thomas E. Smith
Joseph F. Doherty	John L. Swartz
Eugene L. Fuss	C. W. Thompson
James W. Ferriman	James H. Young
Harold W. Gray, Jr.	Irving Slott (Federal Representative)

The following members were absent:

Saul Arrington
Jackie L. Currie
Fritz A. Schumacher.

Also present and participating were: Alexander Laubach, Chairman, PSAC Guards and Investigations Committee; John R. Hitt, PSAC Guards and Investigations Committee; and Dennis M. Crowley, Jr., The New England Bureau for Criminal Justice Services, PSAC Staff Support. Approximately 100 persons attended one or more sessions of the meeting as public guests. Those persons from among the public guests who spoke to the Council are identified in the body of this meeting report.

The meeting was convened by Chairman Bilek who reported that Richard W. Velde, Administrator, LEAA, had appointed four new members to the Council: Mr. Ferriman, Mr. Arrington, Mr. Hyde, and Mrs. Currie. The new members were welcomed to the Council.

The Draft Model Private Security Officer Licensing and Regulatory Statute was presented to the Council by Mr. Crowley. This presentation was accompanied by summary slides. Following the introduction by Mr. Crowley, eighteen persons appeared before the Council and gave testimony on the Model Statute. In addition, the PSAC received written comments from more than thirty different agencies, associations, corporations, and individuals.

Upon completion of the public hearings, the PSAC reviewed the draft and voted on recommended changes. During the review, a motion was made that the staff should assemble all written and oral comments on the statute and that this compilation should be available before any further review takes place. The PSAC also moved to hold a special meeting of the PSAC to work only on the Model Statute. Both motions passed and further consideration on the Model Statute was put over to the special meeting.

Mr. Michael Hershman, Chief Investigator, National Wiretap Commission, gave a presentation on the use and abuse of electronic surveillance by private security. He made several specific suggestions for dealing with the abuse. Mr. Hershman recommended the PSAC as the most appropriate body for studying the problems. The PSAC voted to include this subject in their goal-setting session.

The PSAC also heard presentations from LEAA and the IACP on the need and feasibility of serializing high-value

items; from the Aerospace Corporation on a current LEAA-funded project to develop a cost effective alarm system; and from the American Association of Locksmiths.

Reports were made on all meetings of PSAC Committees since February 1975. Chairman Bilek briefed the PSAC on a major project which he was recommending. In his presentation, Mr. Bilek explained that he had discussed with LEAA Administrator Velde the possibility of holding a major national seminar with participation from business leaders, the private security community, law enforcement, and the Federal Government. The Council unanimously voted to have Mr. Bilek develop the project further and to report back to the Council.

Following the completion of its regular business, the PSAC met in joint session with the National Advisory Commission on Standards and Goals Task Force on Private Security. The Joint Session heard presentation of a survey of state licensing and regulatory procedures and laws, and a report on the analysis of biographical data on private security guards in New Orleans.

2. PUBLIC HEARINGS ON DRAFT MODEL PRIVATE
SECURITY LICENSING AND REGULATORY STATUTE

The public hearings were opened by Chairman Bilek who introduced the members of the Private Security Advisory Council to those present in the hearing room. Following the introductions, the chair was turned over to Vice Chairman Mai who chaired the public hearings. Mr. Mai explained to those present that the hearings would be somewhat informal in style and were designed to give everyone who desired to speak an opportunity to do so. Each person's testimony would be limited to ten minutes; however, all written testimony would be accepted regardless of length. Eighteen persons testified before the PSAC. Those testifying were:

L. G. Arthur, Regional Security Officer,
Venture Department Stores
Herbert C. Yost, Policy Section, Governor's
Justice Commission, Commonwealth
of Pennsylvania
Allan B. Silvarman, appearing on behalf of the
Michigan Association of Private
Detectives and Security Agencies, Inc.
Donald Janis, General Counsel, Burns International,
appearing on behalf of the Committee
of National Security Companies
Alexander Laubach, Chairman, Guards and Investiga-
tions Committee, PSAC
Michael Ketchum, the State of Florida
Melvin Baillet, appearing on behalf of the National
Armored Car Association
Thomas Potts, Security Director, Exxon Corporation
C. P. Norton, Executive Director, American Society
for Industrial Security
John R. Hitt, Vice President, Pinkerton's Inc.
Thomas Wathem, President, California Plant Pro-
tection, Inc.
James Kelly, Assistant Director, IACP
John Ashburn, appearing on behalf of the Associated
Guard and Patrol Agencies of the
State of Illinois, Inc.

Robert L. Barry, Vice President and General
Counsel, New York Retailers
Association
Elaine Petrucci, appearing on behalf of the
National Retail Merchants
Association
Allen C. Gilgenberg, Assistant Corporate Loss
Prevention Officer, Hart, Schaeff-
ner and Marx
Bernard Beerman, Attorney, Alarm Industry Com-
mittee for Combatting Crime
Carl R. Ball, Chief, Railroad Police Department,
Atchison, Topeka and Santa Fe Rail-
road.

Each of the above persons testified concerning the
Draft Model Statute. A verbatim record of their testimony
was taken and that record will be maintained by LEAA with
the verbatim record of the meeting. All records and reports
of the PSAC are open to public inspection.

3. PSAC CONSIDERATION OF DRAFT MODEL
PRIVATE SECURITY LICENSING AND
REGULATORY STATUTE

On July 9, 1975, following the completion of all public testimony, the PSAC reconvened for a review of the Draft Model Statute. This section of the meeting report summarizes that review process.

The review process began with a statement from Chairman Bilek that there was no pre-ordained procedure set for the review process. Chairman Bilek suggested that the review take the form of either a section-by-section discussion of the draft, a discussion of major issues, or a recommendation that the draft be returned to the Guards and Investigations Committee. Chairman Bilek, Vice-Chairman Mai, and Federal Representative Slott all pointed out that the work on the statute had been in progress for a lengthy period, that many states had already moved ahead with their own statutes, and that several states had indicated that they were still holding up legislative action in this area until the PSAC had completed its Model Statute. Mr. Crowley recommended that the Council adopt the section-by-section review process, with the ultimate goal being full approval of the statute or positive identification of the areas where the PSAC does not concur with the draft and wants re-drafting done.

Mr. Doherty took a strong position against section-by-section review on the basis that the PSAC would become

bogged down with the definitions contained in Section 3. He stated that the one common denominator which the PSAC fully agrees on is that every security guard, regardless of his job title, must be registered and trained if he is to be armed. Mr. Doherty suggested that the statute be written to cover armed security officers only.

Mr. Bridges requested that the Chairman ask all members to review the minutes for the February 19-20, 1975, PSAC meeting in Austin, Texas. Mr. Bridges pointed out that the minutes reflect that the PSAC voted unanimously to exclude unarmed private security officers employed by proprietary security organizations from the registration provisions of the statute. The PSAC also voted unanimously to require registration of all unarmed private security officers employed by contract security companies. He maintained that, since the matter had been voted on by the PSAC, it should not be a matter for further Council discussion.

Mr. Crowley pointed out that following the vote mentioned by Mr. Bridges, the PSAC also voted unanimously to have the Chairman appoint a working group from the Council to assist the staff in the re-drafting effort and to work on language changes as well as on statute sections not specifically dealt with by the PSAC in Austin. In Austin, the PSAC also passed a motion unanimously that the new draft should be sent back to the Council for review and that commentary should also be solicited from all interested parties. Mr. Crowley then explained the process by which the working group re-drafted the statute. During that process, the working group became concerned that any statute which discriminated against a sub-class of employees within one class of employees would be held constitutionally deficient. By registering unarmed

contract security employees and exempting the same employees of the proprietary security organizations, a potential constitutional question would exist.

There was extensive discussion by the PSAC on the intent of the Austin motion concerning exclusion of unarmed proprietary employees. Mr. Cross explained that his suggested wording in Austin would exempt unarmed proprietary personnel but would provide a mechanism whereby employers could obtain fingerprint record checks on applicants for private security officer positions. There was a discussion of the fact that the new U. S. Department of Justice regulations regarding criminal history information systems prohibit access to such data by private persons unless there is enabling legislation at the state level. Therefore, unless the model statute specifically requires fingerprint checks for a specific class of persons, the FBI will not conduct such checks. George Smith presented the PSAC with some history on the development of the Texas Statute which registers armed guards only.

Following the discussion, Mr. Thompson moved that "Section 34, covering unarmed private security officers, be rewritten to exclude any regulation of unarmed private security officers but that a section be written to make permissive the submitting of fingerprint records or fingerprints to the licensing authority". The motion was seconded by Mr. Cross. After some discussion, a request was made that Mr. Thompson amend his motion to make the submission of fingerprints a requirement rather than allowing submission on a discretionary basis. Mr. Thompson agreed, but no second was received. Therefore, the vote was held on the original motion and the motion did not carry.

With the failure of Mr. Thompson's motion to carry, it was suggested that the PSAC discuss the section of the statute concerned with definitions in an attempt to resolve the impasse. Mr. Thompson pointed out that the definition of unarmed private security officer had been criticized in the written and oral testimony as being too broad and encompassing too many persons, particularly in the retail industry. He felt that the inclusion of the word "uniform" in the definition of unarmed private security officer would eliminate the definitional problems. Mr. Laubach, speaking as Chairman of the PSAC Guards and Investigations Committee stated that his committee had avoided the use of "uniform" in the definition because the committee felt it would create a loophole. Employers would take the guard out of uniform in order to avoid registering him.

Mr. Thompson moved that Section 3(w) be re-drafted to include the work "uniform" in front of each category of private security officer. The motion, seconded by Mr. Cross, passed on a vote of fifteen (15) to two (2). After the motion passed, Mr. Thompson made another motion which directed the re-drafting of the statute to exempt unarmed private security officers from regulation with the exception of mandatory submission of fingerprint cards to the licensing authority. That motion was passed unanimously.

A discussion followed on how the review should be handled as far as the untouched sections of the model statute were concerned, since the agenda limited further review during this meeting. Mr. Slott advised that the Administrator of LEAA, Richard W. Velde, was in the process of making appointments to the Guards and Investigations Committee which was being reconstituted at the request of the PSAC to obtain greater participation by law enforcement and consumer/public members.

Mr. Slott suggested that the PSAC might want to refer the statute to that new committee for re-drafting, but the Council members indicated that they were not in favor of a totally new group becoming involved in the process. Mr. Darning then made a motion that the staff be directed to take all written and oral testimony, compile it into some format relating it to specific sections of the statute, and mail the compilation to all PSAC members. Further, he asked that a special meeting of the PSAC, totally devoted to the statute, be held. At that meeting, the PSAC could review the statute, section-by-section, until it had completed its work on the document. The motion, seconded by George Smith, was then the subject of lengthy Council discussion, particularly in relation to the problems of scheduling another meeting. Federal Representative Slott explained that the budget for PSAC and Committee meetings during the coming year was tied in with the new contract for staff support services and he did not believe that contract would be awarded within the next month. He did feel comfortable in scheduling the meeting for late September. In response to a series of questions from Chairman Bilek about the intent of his motion, Mr. Darning stated that the motion intended that the document be changed only to reflect the amendments made at this meeting and would not direct the staff to rewrite the statute nor would another working committee be charged with doing so. It was intended to pave the way for the meeting of the PSAC which would deal solely with the model statute and, in doing so, would have the opportunity to consider, in some meaningful manner, the many comments received during the public hearings. The motion made by Mr. Darning passed on unanimous vote of the Council.

4. REPORTS TO THE COUNCIL

Upon completion of the PSAC review of the Draft Model Private Security Licensing and Regulatory Statute, the Council received a series of reports on matters which have been the subject of specific requests for advisories from LEAA to the Council.

Private Security and Electronic Surveillance

Michael Hershman, Chief Investigator, National Wiretap Commission, spoke to the PSAC on the use and abuse of electronic surveillance by private security as seen by the Wiretap Commission. Mr. Hershman's presence was stimulated by an LEAA request for an advisory presented to the PSAC at the February meeting. At that time, the Council advised that it did not have adequate data on the problem and requested that LEAA arrange to have a representative of the National Wiretap Commission make a presentation to the Council.

Mr. Hershman briefed the PSAC on the history of the Commission and its membership. The Commission, which began its work in April 1974, has held six hearings at which prosecutors, lawyers, judges, law enforcement personnel, and other knowledgeable witnesses have testified and have been questioned concerning various aspects of the use of electronic surveillance in the enforcement of the criminal laws. The Commission has also been looking into illegal wiretapping and has conducted a nationwide investigation into the use of illegal wiretapping by private investigators.

Mr. Hershman explained that a part of that investigation was a survey, by telephone, of 115 private investigative firms. In this survey, the caller identified himself as a local businessman with a problem. Of the 115 firms contacted, 42 were willing to sell illegal wiretapping and/or bugging services to the caller. He also summarized the testimony given at hearings by a private investigator who had recently been released from the Federal penitentiary after being convicted on six counts of illegal wiretapping. That person lost his license in Virginia, but is now a private investigator in a state which does not have licensing requirements. This investigator testified that he receives approximately fifty requests per year for illegal wiretapping or bugging. Mr. Hershman pointed out that the punishment for violating Title III is very stiff - five years in jail and a \$10,000 fine - however, the law is being ignored. He suggested that, in addition to increasing the aggressiveness of the Federal enforcement effort, what is needed is an oversight capability in the state licensing process which could provide for investigators working for the licensing authority to conduct investigations of private investigators to determine if they are acting outside the law. He also felt that a code of ethics for private investigators would be beneficial, but that it must be backed by some enforcement mechanism.

Mr. Hershman stated that he detected a trend in Congress towards prohibiting all electronic surveillance, including that which is court-authorized, if the abuses continue. He urged the PSAC to take this problem under consideration and to try to develop specific recommendations to counter abuses by private security of electronic surveillance. Following his presentation, Mr. Hershman

answered specific questions posed by Council members and participated in a discussion of the problem with the Council. A motion was made by Mr. Gray, and seconded by Mr. Bridges, that the Council seriously look at the possibility of examining this issue and set guidelines for the examination in the goal-setting section of the agenda. The motion was passed unanimously.

Locksmiths: Extent of the Industry and the Need for Standards

Mr. Charles Hetherington, President, Associated Locksmiths of America (ALOA) Inc., spoke to the Council on the role of the locksmith in the private security industry. He explained that ALOA is a national trade association founded in 1956 and now having approximately 4,000 members. Mr. Hetherington suggested that there are four forces at work in the development of model legislation to set standards: the impact of the rise of trade associations; the proliferation of controls and regulations at all levels; the statistics which indicate the disregard for property rights, even life itself; and the rise of consumerism. The locksmiths are not a very large portion of the total work force. Department of Labor statistics suggest that there are approximately 9,000 locksmiths working in shops in the United States, with several thousand more employed in industry, government and institutions. Mr. Hetherington asked that his appearance before the PSAC not in any way be interpreted to mean that ALOA is asking for or rejecting consideration of model legislation for the industry. He summarized some of the existing licensing requirements. Many of the laws require extensive records keeping, and he felt that might constitute an invasion of privacy. Furthermore, he was of the opinion that

state licensing of locksmithing, as a whole, has not been successful. Following his presentation, Mr. Hetherington responded to questions asked of him by PSAC members.

The Need For and Feasibility of Serializing High-Value Property

During the February meeting of the Council, the PSAC discussed an LEAA request for a PSAC advisory on the feasibility of serializing high-value property for identification if recovered after having been stolen and as a prevention tool. The PSAC response was to request a briefing from LEAA on the status of any Federally funded projects related to that subject. Mr. Al Ash, System Development Division, LEAA, and Mr. James Kelly, International Association of Chiefs of Police (IACP) were selected by LEAA to brief the Council on current relevant LEAA projects.

Mr. Ash described the National Crime Information Center (NCIC) operated by the FBI and the size of the NCIC files. The ideal use of the NCIC files would be that every high-value item have a discreet serial number which, if the item was stolen could serve to identify the item. To make the system work, every police department receiving a report of the theft of a high-value item would faithfully enter the discreet serial number into NCIC. Every police department recovering suspected stolen property would then have to query the file using the discreet serial number on the recovered item. IACP conducted a study to determine the usage of the NCIC and found that usage was not as good for some NCIC files as it should be. The IACP study also included interviews with NCIC users to find where the problems were, and with manufacturers to determine how discreet serial numbers are put on items. Another portion of the

IACP efforts was research into applicable legislation at the Federal, state and local level, and the conclusion was that very little exists. IACP had prepared a model code which would fix responsibility for numbering certain items over \$100 in value which can be imprinted with a serial number. The numbers are to be affixed by manufacturers. Mr. Ash then demonstrated for the PSAC members a hand-held computer terminal which is under testing in Washington, D. C. The unit, basically similar although slightly larger than a portable two-way police radio, will permit a police officer to make direct queries into a computer terminal and thus to NCIC. Several prototypes are now on the streets in Washington. Mr. Kelly also passed around copies of the IACP Property Identification Manual which provides guidelines for serializing.

New Technology and the Alarm Industry

Mr. Edward Miller, Aerospace Corporation, provided the PSAC with a slide presentation summarizing a major project underway by his firm for LEAA. The primary purpose of the project is to develop a cost effective alarm system which will minimize false alarms. Some of the ways being looked at to provide such systems are: keys with simple mechanical locks which could have some interface with the alarm system; logic switches which provide a little more specification in controlling the device; a combination lock where a code is used to get in and out; and ultrasonic sensors. In his lengthy and detailed presentation, Mr. Miller presented cost data and status information on the research project and responded to questions from the floor.

5. OTHER BUSINESS

Report of the Prevention of Terroristic Crimes Committee

Mr. Thompson, PSAC liaison to the Prevention of Terroristic Crimes Committee, reported to the PSAC on the activities of that committee. The committee met in Quantico, Virginia, at the FBI Academy in April 1975, and again in June 1975 at Miami Beach, Florida. Both meetings were well attended and most productive. The committee finished its work on a survey instrument to collect data on corporate awareness on the problem of terrorism and on threats/acts which have victimized U. S. corporations. The instrument will be given to LEAA to send out to major domestic corporations. The committee also finished one version of a bibliography covering approximately 1700 entries. It was suggested that LEAA make this available through the Criminal Justice Reference Service or the National Technical Information Service. The committee will now narrow the content to those items of most interest to law enforcement and private security and will submit the bibliography to LEAA for annotation. The committee has also finished the first draft of a counter-measures manual and will be completing work on that document for publication very shortly.

Report of the Defensible Space Committee

Mr. Fuss made the report to the Council on the Defensible Space Committee. That group met in Washington, D. C., in May 1975. One request of the committee to the Council was that its name be changed to the Environmental Security Committee. That request was approved. The

committee is working on an issues paper assessing the impacts on society of the implementation of the defensible space concept. The committee is also working on several exciting ideas. Among their projects are a crime impact statement which would operate similarly to an environmental impact statement; a homebuilder's security statement from the builder certifying that certain security concepts have been built into a new residence; and a public awareness campaign to make the public more aware of the defensible space concept.

Crime Prevention Project

Chairman Bilek advised the PSAC that he is convinced that it is necessary to gain the attention of the business community with regard to the rising crime problem in the U. S., and to point out the things they can do to help reduce crime. The approach he is considering is to hold a conference in New York City which would involve the leaders of the business community, top labor union officials, police chiefs, the media, and government representatives. As speakers, he would like to see the Attorney General of the United States, the head of the U. S. Chamber of Commerce, and the head of a major U. S. corporation. There was a discussion of the approach by the PSAC members, with some suggesting regional conferences either in advance of or as a follow-up to the major conference. Also suggested was that some co-host be found, such as the IACP or the U. S. Chamber of Commerce. A motion authorizing Mr. Bilek to continue to develop the theme and content of the conference passed unanimously.

6. JOINT SESSION WITH TASK FORCE

On July 10, 1975, following the completion of all regular business of the PSAC, the Council met in joint session with the National Advisory Committee on Standards and Goals Task Force on Private Security. The purpose of the joint session was to discuss the roles of both groups, to brief both on current status of projects, and to permit participation by each group in the work of the other. While meeting in joint session, the two groups heard presentations of mutual interest.

Mr. David Viar of the Task Force staff summarized his findings on state-level licensing and regulation of the private security industry. The summary included a breakdown of those states with statutes, a comparative analysis of the licensing requirements, and some general comments on what the analysis reveals.

Mr. Sid Cates, a member of the Task Force, briefed the joint session on a project undertaken by the Task Force to analyze biographical data on registered guards in New Orleans. New Orleans registers all private security guards under a city ordinance. As a result, the city has biographical data on approximately 6,000 guards. The Task Force has been granted access to that biographical data and is doing a complete analysis of the material. Although the analysis is not yet complete, Mr. Cates provided some of the preliminary results. He stated that the average age of a guard in New Orleans was 39 years; he is 5'9"; and weighs 178 pounds. Sixty-one percent of the guards completed high school. The biographical data from New Orleans will now be compared with similar data being collected in St. Louis.

Following the presentations, both groups discussed problems of mutual interest. It was agreed that the similarities of purpose dictated that the two groups coordinate their efforts and support each other where needed. The PSAC voted to direct its staff support director to attend all meetings of the Task Force and to exchange information on a regular basis with the Task Force staff. Mr. William Archey, LEAA, who is responsible for supervising the National Advisory Committee on Standards and Goals, spoke to the joint session on the mutual interests of the Task Force and the PSAC, and reminded both of the very short deadline for submission of the Task Force Report.

END