2014 ANNUAL REPORT:
ADMINISTRATION OF THE SECURITY GUARD ACT

PURSUANT TO SECTION 89-S OF THE GENERAL BUSINESS LAW

FOR SUBMISSION TO THE GOVERNOR, TEMPORARY PRESIDENT OF THE SENATE AND SPEAKER OF THE ASSEMBLY

February 5, 2015

Andrew M. Cuomo
Governor

Cesar A. Perales
Secretary of State

INTRODUCTION

In compliance with section 89-s of the General Business Law (the "GBL"), the Department of State (the "Department") respectfully submits the following report on the implementation, procedures, operation, training, and enforcement of the Security Guard Act. This report covers the period from January 1, 2014 through December 31, 2014.

SECURITY GUARD REGISTRATIONS, APPLICATIONS, AND DENIALS

On December 31, 2014, there were 164,801 security guards registered in New York State, a decrease of 1.005 percent from the prior year. In 2014, the Department issued 83,317 registrations for security guards. During this same period, 975 applications were denied.

PROCESSING STATISTICS

During 2014, the New York State Division of Criminal Justice Services (the "DCJS") reports that it processed 38,092 fingerprint submissions for initial security guard applicants. DCJS also processed a total of 2,463 fingerprint submissions from other employees at security guard companies. Over 99% of submissions were processed in less than twenty-four hours; 85% were processed in under an hour; 76% were processed in under five minutes.

The Security Guard Act (Article 7-A of the GBL) requires employers to conduct due diligence prior to hiring a security guard. This includes a requirement that they verify the Department has approved a security guard for employment. To assist with this duty, the Department maintains an automated security guard registry which, upon entry of identifying information for a potential security guard, informs the employer whether the security guard is eligible for employment. If employers have additional questions, they may call the Department's security guard hotline. The average wait time for an operator is approximately seven minutes. The Department also maintains an electronic roster of eligible security guards, which is accessible on its website.

DISCIPLINARY ACTION

Article 7-A of the GBL authorizes the Department to revoke or suspend a security guard registration based upon proven incompetence, untrustworthiness, or a violation of statutory or regulatory provisions. The Department is also empowered to impose a fine of up to $1,000 per violation. In 2014, the Department suspended 8 and revoked 52 registrations, and imposed $446,900 in fines.

FEES COLLECTED

In 2014, the Department and DCJS together collected $6,916,258 in fees as follows:

- DCJS fingerprint transaction fee - $3,152,648;
- DCJS school and instructor fees - $247,750; and
- Department of State application fees - $3,515,860.

APPROPRIATION

The SFY2014-15 Budget appropriated $37,401,000 from the Business and Licensing Services Account to support a number of the Department's functions, including its licensing function. The security guard registration program is one of 32 licensing disciplines regulated by the Department and supported by this appropriation. The Department does not separately account for spending within individual license disciplines.