



**Department  
of State**

**2016 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 &  
SPEAKER OF THE ASSEMBLY**

**February 1, 2017**

**Andrew M. Cuomo  
Governor**

**Rossana Rosado  
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, 2016 through December 31, 2016.

## **SECURITY GUARD REGISTRATIONS, APPLICATIONS, AND DENIALS**

On December 31, 2015, there were 165,086 registered security guards, a slight decrease from the prior year during which there were 165,593 security guards. In 2016, the Department issued 79,713 registrations for security guards. During this same period, approximately 866 applications were denied.

## **PROCESSING STATISTICS**

In 2016, the New York State Division of Criminal Justice Services (the “DCJS”) reports that it processed 36,761 fingerprint submissions for initial security guard applicants. DCJS also processed 2,269 fingerprint submissions from other employees at security guard companies. DCJS reports that 78% of the fingerprint submissions were processed in under 5 minutes, 85% in less than an hour, and over 98% in less than one day.

The Security Guard Act (Article 7-A of the GBL) requires employers to conduct due diligence prior to hiring a security guard. Each employer must verify the Department has approved a security guard for employment. To assist, the Department maintains an automated security guard registry which, upon entry of identifying information, 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 eight 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 2016, the Department suspended 29 registrations, revoked 86 registrations, and imposed \$311,553 in fines for violations of Article 7-A.

## **FEES COLLECTED**

In 2016, the Department and DCJS together collected fees as follows:

- DCJS fingerprint transaction fee - \$2,927,250;
- DCJS school and instructor fees - \$214,000; and
- Department of State application fees - \$3,863,042.

## **APPROPRIATION**

The SFY2016-17 Budget appropriated \$44,158,000 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 35 licensing disciplines regulated by the Department and supported by this appropriation.