



California SB 1203
STAND FOR SECURITY ACT
Comprehensive Analysis & Industry Impact Summary

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Legislative Status: Passed the California Senate on May 29, 2026; referred to the Assembly for further review and potential amendment.

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Section 1 — Overview

SB 1203, introduced by Senator Lola Smallwood-Cuevas, is known as the “Stand for Security Act.” It proposes sweeping changes to California’s private security industry, affecting training requirements, employer obligations, incident reporting, fines, wages, and union involvement.¹

California currently has approximately 330,000–360,000 licensed security officers. The bill passed the California Senate on May 29, 2026 and is now under consideration in the Assembly.²

Legislative Status

SB 1203 passed the California Senate on May 29, 2026 and has been referred to the Assembly for further review and potential amendment. This document reflects the version analyzed by the Senate Public Safety Committee.

Section 2 — New Training Requirements

Initial Training (Security Officer Skills)

SB 1203 restructures the initial training requirements for security officers. The following changes apply:

Requirement	Current Law	SB 1203 (Proposed)
Total initial training hours	32 hours	34 hours
Hours required within 30 days	16 hours	18 hours

Requirement	Current Law	SB 1203 (Proposed)
Remaining hours window	Varies	16 hours within 6 months
Online training	Permitted	Eliminated; classroom only
Training while on-duty at post	Permitted in some cases	Prohibited

Annual Continuing Education

- Doubled from 8 to 16 hours per year.
- At least 8 of the 16 annual hours must be dedicated to in-person de-escalation role-play and interactive training.
- De-escalation training must be administered by organizations using evidence-based, trauma-informed techniques.
- Employers must compensate employees for all annual training time.

Additional Required Training

- 2-hour worker rights training (covering rights contained in the Labor Code employee rights notice).
- Implicit and explicit bias training related to racial profiling.
- Firearms training: expanded classroom instruction hours.

Section 3 — Employer Payment Obligations

SB 1203 mandates employer payment for the following training types when a guard is employed or has a pending offer of employment:

- all 34 hours of initial security officer skills training (training costs plus employee wages);
- all 16 hours of annual continuing education (including the 8-hour de-escalation component);
- the 2-hour worker rights training;
- any other mandated training under the Act.

Important Nuance: The Self-Funded Guard Card Loophole

If a person seeks a guard card independently with no employment or pending job offer, training costs fall on the individual rather than any employer. This creates a financial incentive for companies to prefer hiring guards who already self-funded their guard card, because a pre-trained hire means the employer owes nothing for initial training. This outcome is the opposite of the bill's stated intent to protect workers from bearing training costs.

POLICY TENSION

The self-funded loophole may inadvertently shift financial burden back to workers, the very outcome SB 1203 was designed to prevent, by making self-trained guards more attractive to cost-conscious employers who wish to avoid the full 34-hour payment obligation.

Section 4 — Authorized Training Providers

SB 1203 creates a tiered, restricted system for who may provide each category of mandated training. The structure is summarized below.

Training Type	Approved Providers	Key Restriction
34-Hour Initial Skills Training	BSIS-approved third-party organizations; approved schools and academies; licensed security companies with a qualifying CBA.	Security companies need a union contract to train in-house.
Power to Arrest / Use of Force (eff. July 1, 2028)	Non-licensee organizations only; licensed companies allowed only with a CBA (binding arbitration, premium OT, wages 30%+ above CA minimum).	100% in-person; no online delivery permitted.

Training Type	Approved Providers	Key Restriction
8-Hour Annual De-Escalation Training	Organizations using evidence-based, trauma-informed techniques; independent certified de-escalation specialists.	Licensed companies and subsidiaries cannot provide unless they have a qualifying CBA.
2-Hour Worker Rights Training	BSIS-approved labor organizations (unions).	BSIS must approve labor organizations as providers within 30 days of a written request.

The Union Contract Angle

The provider restriction structure effectively forces companies to unionize if they want to keep training in-house. Industry critics argue this gives SEIU a near-monopoly on de-escalation and worker rights training.³

- No union contract = no in-house authority for Power to Arrest / Use of Force training (as of July 1, 2028).
- No union contract = licensed security companies and their subsidiaries cannot provide the 8-hour de-escalation training.
- CalMatters described the bill's mechanism as using regulatory authority to compel unionization in a private industry.

Section 5 — Business Opportunity for Independent Trainers

A significant market opportunity exists for experienced security professionals who establish themselves as independent training entities. The bill's provider restrictions apply to licensees (licensed PPOs), not to independent non-licensee training organizations.

Requirements to Qualify as an Independent Trainer

- must not hold a PPO license;
- must establish a standalone training entity (separate from any licensed security company);
- must obtain BSIS approval as an independent provider;
- must obtain certification in evidence-based, trauma-informed de-escalation techniques to provide the 8-hour annual de-escalation component.

Market Scale

- 330,000–360,000 California guards require annual continuing education (16 hours each);
- security companies are losing in-house training authority for key modules, creating substantial demand for third-party providers;
- the pool of BSIS-approved independent training providers is currently small, an early-mover advantage exists.

STRATEGIC NOTE

An approved trainer who establishes a standalone non-licensee training entity can teach all required SB 1203 training modules without a union contract, including initial skills training, de-escalation, and worker rights training. This represents a structural advantage over licensed security companies under the new framework.

Section 6 — Increased Fines & Penalties

SB 1203 significantly increases financial penalties. The following table summarizes the changes:⁴

Violation Type	Current Fine	SB 1203 Fine
Recordkeeping and training violations	\$500 / violation	\$1,000 / violation
Failing to ensure required training is completed	Not separately defined	Up to \$10,000 / violation (new)
Failing to compensate employees for training time	Not separately defined	Up to \$10,000 / violation (new)

Violation Type	Current Fine	SB 1203 Fine
General violations of the Private Security Services Act	Up to \$2,500	Up to \$10,000

Section 7 — Incident Reporting Requirements

Employers must file a written report with BSIS within 7 business days of any physical altercation involving a security officer that results in injury or the need for medical attention.

Required Report Contents

- description of the incident;
- race and gender of the member of the public involved;
- whether the security officer involved had completed all required training at the time of the incident.

COMPLIANCE IMPLICATION

The mandatory disclosure of whether an officer had completed all required training creates direct legal exposure for employers when incidents occur involving undertrained guards. This reporting requirement intensifies the financial consequences of the \$10,000 training-completion fine.

Section 8 — Wage Review Process

- the Industrial Welfare Commission must convene for the property services industry by July 1, 2027;
- it must issue a wage order by June 30, 2028;
- minimum wages, hours, and working conditions for security guards will be reviewed every two years thereafter.

COST SCALE WARNING

Even a \$1/hour raise for security workers would add approximately \$750 million in annual costs across the California industry. Given the biennial review mechanism, wage escalation is structurally built into the bill's long-term design.

Section 9 — BSIS Enforcement Gaps

SB 1203 creates significant compliance obligations without the infrastructure to enforce them. The Assembly Committee analysis acknowledged several of these gaps, and the author committed to future amendments requiring BSIS to conduct a regional training capacity analysis.⁵

Gap 1: Annual Training Tracking (16 Hours)

- no existing centralized database for employers or training providers to upload annual training completion in real time;
- no standardized tracking mechanism tied to a guard's registration number;
- enforcement would rely on employer recordkeeping audits, guard-held certificates (which are easy to falsify), complaint-driven BSIS investigations, and incident reports that trigger retroactive review.

Gap 2: 30-Day Training Window Enforcement (18 Hours)

- BSIS issues guard card registrations before training is completed; the compliance clock starts, but there is no hold on activation;
- no mandated electronic reporting system for training providers to submit completion records to BSIS in real time;
- no automated compliance clock tied to each guard's registration date;
- no automated alerts when a guard's 30-day window expires without confirmed training;
- a guard could theoretically work for 6 months without completing the 18-hour requirement, and BSIS would have no proactive mechanism to detect it.

Gap 3: Job Transition Ambiguity

- if a guard completes annual training with one company and then changes employers, the bill does not clearly address whether the new employer must re-train them;
- training certificates follow the individual (tied to their registration number), not the employer;
- mid-year job transition scenarios (e.g., a guard completed 8 of 16 hours then changed jobs) are not addressed;
- until BSIS issues clarifying regulations, employers may defensively re-train to avoid \$10,000 fines, inflating industry training costs further.

Gap 4: Provider Capacity

- California has 330,000–360,000 licensed security officers requiring 16 annual training hours each;
- the pool of BSIS-approved third-party training providers is currently small relative to demand;
- the pool of organizations certified in evidence-based, trauma-informed de-escalation is even smaller;
- the Assembly Committee analysis acknowledged this gap; the author committed to future amendments requiring BSIS to conduct a regional training capacity analysis.

Infrastructure Requirements Not Currently in Place

To enforce SB 1203's training mandates effectively, BSIS would need:

- a real-time provider upload portal for training completion records;
- automated compliance clocks tied to each guard's registration date;
- automated alerts for expired training windows;
- significant new staffing to process reports and conduct audits.

Section 10 — Indirect Effect on Employee Termination

SB 1203 does not explicitly restrict employee terminations, but creates structural pressures that make termination more costly and procedurally complex.

Financial Disincentive to Terminate

- at \$20/hour, the initial 34-hour training alone represents \$680 in paid wages, plus third-party training provider fees;
- annual training adds \$320+ in paid wages per employee per year;
- terminating someone shortly after onboarding means the company absorbs all training costs with zero return;
- no clawback or cost-recovery mechanism exists in the bill for employers whose trainees quit or are terminated early.

Probationary Period Conflict

- most companies use 30–90 day probationary periods to evaluate new hires;
- SB 1203 requires 18 hours of paid training within the first 30 days;
- significant training investment must occur before the employer has fully evaluated the employee.

Behavioral & Structural Pressures

- managers may tolerate underperformance to avoid restarting the training-cost cycle;
- companies will likely raise their hiring bar to reduce wrong-hire risk;
- preference for pre-trained guards who already hold their guard card (no initial training-cost obligation for the employer).

The Union Contract Trap

Companies that want to keep training in-house must sign qualifying collective bargaining agreements (union contracts). Union contracts almost universally include just-cause termination clauses, meaning SB 1203 indirectly pushes companies toward a labor structure where terminating employees becomes significantly more legally complex.

Section 11 — Estimated Industry Cost Impact

Based on analyses by industry stakeholders and legislative staff, the following cost estimates have been projected:⁶

Cost Category	Estimated Cost
New annual training requirements (wages, payroll taxes, refresher training, third-party instructor; based on 360,000 guards)	\$534+ million / year
Impact of a \$1/hour wage increase for security workers (across CA industry)	\$750 million / year
Initial one-time training costs across California guards	~\$207 million (one-time)
Additional cost of outsourced third-party training (in-house provider restrictions)	~\$108 million / year additional
Total estimated annual industry impact (training + wage increase)	Exceeds \$1 billion / year

SOURCE NOTE

Allied Universal estimates are based on 360,000 guards statewide. Per-guard wage cost calculations assume an average of \$20/hour. Payroll tax and third-party instructor costs vary by region and company size.

Sources & References

1. California Senate Public Safety Committee — Analysis of SB 1203 (2025–26 Legislative Session). leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB1203
2. California Senate District 28 — Press Release, May 29, 2026. sd28.senate.ca.gov
3. CalMatters — Coverage of SB 1203, April 2026. calmatters.org
4. CALSAGA — Legislative Alerts on SB 1203. calsaga.org
5. California Assembly Committee — Analysis of SB 1203. leginfo.ca.gov
6. Security Training Center — Analysis of SB 1203 Industry Cost Impact. securitytrainingcenter.com