

# WEEKLY PAY REMINDER!

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Attention Private Patrol Operators! According to Labor Code Section 201.3, you are a “temporary services employer” if you contract with clients/customers to supply workers to perform services for the clients/customers, and:

1. Negotiate with clients/customers for matters such as the time and place where the services are to be provided, the type of work, the working conditions, and the quality and price of the services; and
2. Determine assignments or reassignments of workers, even if workers retain the right to refuse specific assignments; and
3. Retain the authority to assign or reassign a worker to another client or customer when the worker is determined unacceptable by a specific client or customer; and
4. Assign or reassign workers to perform services for clients or customers; and
5. Set the rate of pay of workers, whether or not through negotiation; and
6. Pay workers from your own account or accounts; and
7. Retain the right to hire and terminate workers.

In almost every instance, Private Patrol Operators are “temporary service employers.” To make matters Labor Code Section 201.3 was amended specifically singling out this industry. It requires that security guards who are working for Private Patrol Operators be paid weekly, regardless of when their assignment ends. Failure to pay security guards accordingly could expose the PPO to serious damages including Private Attorneys General Act (PAGA) civil penalties. (This can result in penalties of approximately \$10,300 per employee, per year!)

**LESSON LEARNED:** If you are not paying your California PPO employees on a weekly payroll system, you are exposing your company to unnecessary liability.

## REGULATION CORNER

David Chandler, CALSAGA  
President

As stated in section 7582.12 of the California Business and Professions Code, your license shall at all times be posted in a conspicuous place in the principal place of business of the licensee.

What constitutes a “conspicuous place?” The BSIS believes a conspicuous place to be a location that can be seen by the public when entering through the front door. This means that a license hanging in the hallway or posted in a lunch or break room is not compliant. If you are in violation, make sure that you rectify the situation as soon as possible! Each violation may carry a \$250 fine.

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