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Independent Contractor vs Employee Status for Security Guards

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Under California's ABC test, most security guards are legally employees rather than independent contractors, largely because a licensed private patrol operator directs and controls the guard's work and the guard performs the PPO's core business.

Why misclassification comes up in security

Some staffing arrangements attempt to label guards as independent contractors to avoid payroll taxes, overtime, and workers' compensation costs.

California licensing law generally requires a private patrol operator to directly employ and supervise the officers it deploys, which is in tension with treating those officers as independent contractors.

ABC test factors (AB 5 / Labor Code 2775)

Factor	Question asked	Typical result for guards
A	Is the worker free from the hiring entity's control and direction?	Usually no — guards follow post orders and schedules
B	Does the worker perform work outside the hiring entity's usual course of business?	Usually no — guarding is the PPO's core business
C	Is the worker customarily engaged in an independently established trade?	Usually no, unless the guard runs a separate licensed business
Licensing overlay	Does BSIS require the PPO to employ its officers?	Generally yes for registered/exposed-post guards

Signs of possible misclassification

- Being called a '1099 contractor' while working set shifts under a supervisor's direction
- No control over how, when, or where the job is performed, yet no payroll taxes withheld
- Wearing a company uniform and following a company's post orders while classified as a contractor
- No workers' compensation coverage despite performing standard guard duties

Why this matters for guards

Employee status brings protections like minimum wage, overtime, meal/rest breaks, workers' compensation, and unemployment insurance that independent contractors generally do not receive.

Research and education only

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A guard who believes they have been misclassified should contact the California Labor Commissioner's Office, the Employment Development Department, or a licensed California employment attorney.

Quick answers

Can a security company legally treat guards as independent contractors?

It is generally difficult under the ABC test and California licensing rules, since a PPO typically must control and employ the officers it assigns to posts.

What is the ABC test?

A three-part test under Labor Code 2775 that presumes a worker is an employee unless the hiring entity proves all three factors for contractor status.

Why does BSIS licensing matter for this question?

Private patrol operator licensing generally requires the PPO to directly employ and register the guards it deploys to posts.

What protections does employee status give a guard?

Minimum wage, overtime, meal and rest breaks, workers' compensation coverage, and unemployment insurance eligibility, among others.

What should a guard do if they suspect misclassification?

Document the working relationship and contact the Labor Commissioner's Office or the EDD to raise the classification question.

Primary sources — read the official text

Labor Code Section 2775 (ABC Test)	California Legislative Information	https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=2775.&lawCode=LAB
Independent Contractor vs Employee	California DIR	https://www.dir.ca.gov/dlse/faq_independentcontractor.htm
Private Patrol Operator Licensing	California BSIS	https://www.bsis.ca.gov/about_us/forms_pubs/ppo.shtml

Worker Classification	U.S. Department of Labor	https://www.dol.gov/agencies/whd/flsa/misclassification
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