

DCJS Updated Response to Amended Economic Impact Analysis

6 VAC 20-172, 6 VAC 20-174

Regulations Relating to Private Security Services Businesses and Private Security Service Registered Personnel

The Department of Criminal Justice Services respectfully disagrees with several statements and conclusions contained within the Economic Impact Analysis (EIA) drafted by the Department of Planning and Budget.

Summary of the Proposed Amendments to Regulation

Chapter 202 of the 2015 Acts of Assembly authorizes private investigators and personal protection specialists to work as independent contractors provided they maintain a general liability insurance policy, in an amount determined by DCJS.¹

Independent of this new statutory change, the Code of Virginia requires private security service businesses to be licensed provided they maintain a general liability policy or surety/cash bond, in an amount to be determined by the Department.

Result of Analysis

The EIS concludes that (a) allowing private security businesses to hire registered personal protection specialists and private investigators as independent contractors will likely result in benefits outweighing potential costs. DCJS agrees with this conclusion as it is reasonable to expect that parties will only engage in independent contracts when it is profitable.

The EIS concludes that costs likely outweigh the benefits of at least one of the proposed changes (b) requiring registered personal protection specialists and private investigators who want to work as independent contractors to maintain a general liability insurance policy in the amount of \$1,000,000 and for (c) requiring private security businesses to maintain a minimum general liability insurance policy or bond in the amount of \$1,000,000. DCJS disagrees with these two conclusions.

The Benefits of Requiring \$1,000,000 Insurance for Registered Personal Protection Specialists and Private Investigators and for Private Security Businesses

The General Assembly determined as early as 1976, that insurance is a necessary component for private security businesses. In 1998, the General Assembly enacted legislation requiring private security businesses to obtain a bond or liability insurance in order to receive a license by DCJS. The General Assembly also added language specifically requiring the business to maintain the

¹ For clarification, the statutory language uses the term “independent contractor” not private contractor, which is cited in the EIA. The term independent contractor has certain legal and tax implications, to include recognition by the [Internal Revenue Service](#) as self-employed.

bonds or liability insurance for the duration of their licenses. By its very nature, insurance protects businesses from unforeseen events and accidents. Private security businesses which have insurance are shielded from potentially expensive claims and litigation costs. Insurance also provides the public a resource to obtain compensation for losses caused by businesses. The Criminal Justice Services Board (CJSB) initially set the amount of insurance at \$100,000 more than twenty years ago. This amount had not been reviewed or revised until 2015.

In addition to requiring private security businesses to have insurance or bond, the General Assembly has also determined that a benefit and need exists for certain professionals to have insurance in order to be licensed by the state. The very nature of engaging in certain professions, such as doctors, lawyers, and law enforcement, includes exposure to risk and liability based on the professionals' decisions and actions. The private security industry is no exception to risk exposure; in fact, the type of work conducted by private security businesses presents increased risks for their employees who are engaged in potentially dangerous activity and situations while securing and protecting property.

For example, many private security professionals are registered by DCJS to carry firearms in the performance of their duties. Registered armed security officers employed by a private security business have authority similar to that of sworn law enforcement. In addition to carrying firearms, armed security officers have the statutory power to effect an arrest for any offense occurring in the his or her presence on the property for which they are contracted to protect, and the power to arrest for shoplifting or concealment of goods when observed in the presence of a merchant or employee of the merchant. It should be noted that sworn law-enforcement officers have a minimum of \$1,000,000 in insurance coverage and most have an additional policy rider for an additional \$500,000 to \$2,000,000.

The General Assembly recognized the risk involved with providing personal protection services and private investigator services and applied the same reasoning applied to lawyers, doctors and other criminal justice professionals when it authorized these private security professionals to act as independent contractors in 2015, provided they have the appropriate insurance coverage as determined by DCJS.

Given the General Assembly's directive to determine the amount of insurance necessary for private investigators and personal protection specialists to act as independent contractors, DCJS consulted with insurance professionals, engaged the Private Security Services Advisory Board and conducted evidence based research.

Consultation with Insurance Professionals

The insurance professionals with whom DCJS consulted stated the following:

- \$1,000,000 of coverage is the industry standard for private security businesses.
- Insurance companies require an independent contractor or subcontractor to have an insurance policy that is equal to or higher than the primary business or primary contractor.

- The cost to provide insurance coverage for \$1,000,000 is typically the same coverage for a lower amount, if it all different.
- Their companies will not cover a private investigator for less than \$1,000,000.

Engaging the Private Security Services Advisory Board

The Private Security Services Board (PSSAB) is a statutorily designated body whose members are appointed by the CJSB to advise the CJSB on all issues related to the regulation of private security services business. The PSSAB consists of the following fifteen members: two private investigators; two representatives of electronic security businesses; two representatives of locksmith businesses; three representatives of private security services businesses providing security officers, armed couriers, detector canine handlers, or security canine handlers; one representative of a private security services business providing armored car personnel; one representative of a private security services business involving personal protection specialists; one certified private security services instructor; one special conservator of the peace appointed pursuant to § 19.2-13; one licensed bail bondsman and one representative of law enforcement.

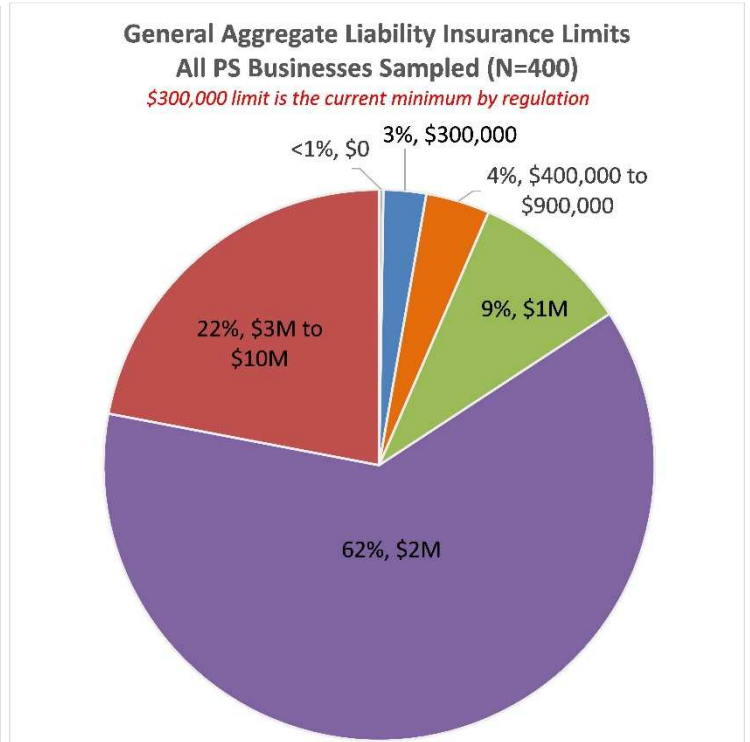
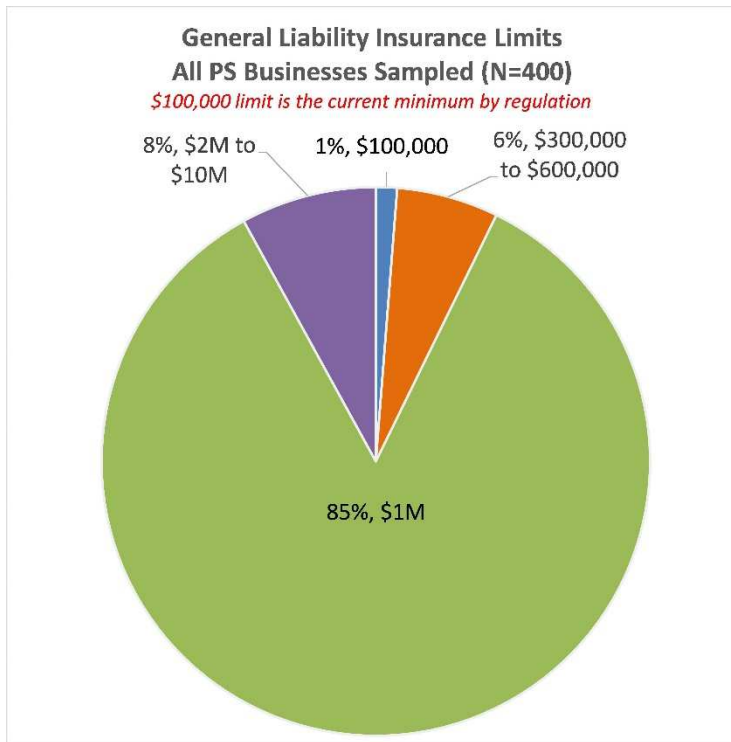
On March 3, 2016, PSSAB voted to approve recommending private security businesses be required to maintain comprehensive liability insurance in the amount of \$1,000,000 in general aggregate liability insurance and that independent contractors working for private security businesses be required to maintain comprehensive liability insurance in an amount equal to the insurance requirements for private security businesses. On June 7, 2017, the Private Security Services Advisory Board met, and through a unanimous vote again offered their agreement and support to DCJS and the CJSB regarding the minimum insurance amounts required by this regulatory action. The Chairman of the PSSAB, who is also a member of the CJSB, attended the June 15, 2017, CJSB Board meeting and reiterated PSSAB's support regarding the recommended insurance amount amendments.

Evidence Based Research

DCJS utilized its Research Center to arrive at an informed, educated conclusion regarding the appropriate amount of insurance necessary for independent contractors and private security businesses.² The Research Center is managed by a professional with a PhD and the data was developed and analyzed using scientifically sound methods. Furthermore, the combined years of research experience of the two staff who participated in this project is approximately 45 years.

² The Research Center's full report is attached to this response.

The graphs below illustrate key findings of the DCJS Research Center regarding insurance.



The DCJS Research Center selected a random sample of 400 private security businesses regulated by DJCS. The sample size of 400 was determined using a standard statistical formula widely used in the scientific research field to generate a sample size with a 95% confidence interval. In other words, by using a sample size of 400 businesses, the sample is 95% accurate in representing the entire private security business population.

- Security Officer (sample size N=78)
- Private Investigation (N=82)
- Armored Car (N=15)
- Security Canine Handling (N=15)
- Personal Protection (N=52)
- Electronic Security (N=86)
- Locksmith (N=72)

The statistical research demonstrates that 99% of the private security businesses licensed by DCJS already have insurance policies that exceed the current requirement of \$100,000. In fact, 93% of these businesses have a general liability policy of \$1,000,000 or more. The average liability amount for private security businesses is \$1,160,250. This evidence demonstrates that the private security business industry has already determined that \$100,000 is inadequate to meet their business needs and that \$1,000,000 minimally meets the need to match the risk and liability. During this research process, it became clear to DCJS that a \$100,000 general liability insurance policy is woefully inadequate to meet and protect the needs of private security businesses and the

public at large. It is insufficient for covering bodily injury, personal injury, property damage, advertising injury, and legal defense and judgments.

Response to DPB Suggestions and Assertions

After internal staff discussions, DPB suggested that DCJS determine whether any claims have been filed against private security actors or remained unpaid due to current insurance requirements. DCJS is not in a position to know whether any of its licensees have been sued, or insurance claims have been filed and paid, because these businesses are not required to report this type of data to DCJS. DCJS is not aware of any other entity which collects such information. However, DCJS is aware of a 2014 case (*Pompey v. Palla*) in which a jury returned an \$8 million judgment against a security officer arising out of his excessive force and wrongful arrest of a citizen of the Commonwealth. This case demonstrates that lawsuits against private security actors can result in judgments exceeding \$1,000,000 and that \$100,000 is not sufficient insurance coverage.

Despite acknowledging the lack of a data source, DPB staff also suggested that DCJS provide data demonstrating the number of legal judgments against private security businesses that were not paid as a result of insufficient or no insurance. DCJS appreciates the value of such information and will explore the possibility that private security businesses should be required to report claims, paid judgments and unpaid judgments to DCJS as a new regulatory requirement.

DCJS strongly disagrees with the following statement in the EIA: “*Board staff reports that this change is being proposed because most firms already have insurance in at least this amount.*” This statement does not accurately reflect the numerous and lengthy conversations that Board staff had with DPB. There is a statutory requirement to determine the amount of general liability insurance for private investigators and personal protection specialists. In the process of researching this issue, DCJS determined that the original amount of insurance required for private security businesses had not been reviewed or analyzed for approximately twenty years. DCJS would have been remiss in its duties as the regulatory agency for private security businesses had it not brought this issue before the Board. DCJS regulates all private security businesses and determining the insurance requirements for two specific types without comprehensively researching this issue would have been inappropriate and possibly viewed in the eyes of the law as *negligent supervision of regulatory duties*. It would be inappropriate to set a general amount of the liability insurance requirement for two types of professionals that grossly exceeds the private security businesses’ general liability insurance requirements. The identified insurance requirement of \$1 million is the industry standard.

Furthermore, DCJS has determined that the cost to purchase a general liability insurance policy that satisfies the current requirements (\$100,000/\$300,000 aggregate) is the same as the cost to purchase \$1,000,000 in coverage. DCJS’s initial research indicates that it costs approximately \$500 to \$695 per year for \$1,000,000 of general liability insurance. Based on the issuance of the amended EIA, DCJS worked with staff from the Virginia Department of Treasury to determine the cost to purchase a \$100,000/\$300,000 aggregate general insurance policy, which ranges from \$500 a year for low risk activity to \$1,000-\$5,000 a year for higher risk activity. These estimates have also been validated by professionals serving on the PSSAB who have previously

communicated with the DCJS that it cost the same to purchase \$100,000 of coverage as it does \$1,000,000.

Additionally, DPB's Final Stage Update of the Proposed Stage Economic Impact Analysis states in a footnote, "Although it seems economically counter-intuitive, the Department of Planning and Budget obtained an insurance quote at this stage of this action where the cost was the same no matter the level of coverage." Despite independently verifying DCJS research, DPB asserts that "businesses who [sic] now choose to carry higher insurance limits than currently required by law will lose the flexibility they currently enjoy to reset their insurance amounts as their business needs change." This statement is not accurate. Given DCJS' findings, the information from the PSSAB members and DPB's own findings regarding the absence of an increase in cost for a business to increase in the amount of coverage between the cost of \$100,000 and \$1,000,000, the law does not remove flexibility provides the licensee with a better value for their current cost: a higher level of coverage \$1,000,000 at no additional cost. Business still have the ability to increase the coverage if it determines more than \$1,000,000 in coverage is necessary. DCJS' research bears this out, as 93% of private security businesses have insurance exceeding \$1,000,000.

It is important to note once more that the PSSAB, a statutorily formed body created to represent the interest of those in the private security industry, has twice approved the \$1,000,000 insurance policy requirement for *both* independent contractors and private security businesses. It is for these reasons that DCJS believes that this regulatory action will have little to no fiscal impact on private security businesses or individuals who want to work as independent contractors.

Businesses and Entities Affected

DCJS disagrees with DPB's conclusion that "all" private security businesses are affected by the regulatory package. As explained above, the research shows that 93% of security businesses already carry \$1,000,000 or more in general liability insurance. In other words, 93% of private security businesses will not be impacted. Furthermore, the impact to the remaining businesses is minimal given the similarity in cost to purchase insurance coverage of \$100,000 or \$1,000,000. Not all private investigators and personal protection specialists will choose to engage in independent contracting; not all private security businesses will choose to hire independent contractors. These businesses, by virtue of their statutory definition, already employ either or both private investigators or personal protection specialists as part of their corporate structure.

Further, there is no requirement that registered personal protection specialists and private investigators must engage in independent contracting in order to find gainful employment. Acting as an independent contractor is entirely discretionary on the part of an individual licensee and not mandatory. All registered personal protection specialists and private investigators must work for a licensed private security business in order to engage in the activity providing those services. This new law will only impact those professionals who wish to operate more like freelance employees, and presumably those professionals will consider all the pros and cons, to include financial costs and tax and other legal implications (independent contractors are typically viewed as self-employed under federal tax laws; respondent superior relationship is not necessarily established when businesses contract with independent contractors). DCJS does not know how many of the

currently registered personal protection specialists and private investigators wish to engage in independent contracting, nor will it know this data once the regulations become effective as there is no reporting requirement in the law for either private security service businesses or independent contractors.

There are 2,026 private security businesses licensed by DCJS who had the opportunity to provide public comment on this regulation. For reasons unknown to DCJS, DPB has given a significant amount of weight to a few unsubstantiated and misleading public comments in drafting their EIA. DCJS staff spent a significant amount of time with DPB staff explaining the process the agency used to arrive at its decision and very little of this information is reflected in the EIA. The insurance requirements for private security businesses and independent contractors are not in place for the sole protection of the business and contractor. Insurance requirements are also intended to protect the public.

Costs and Other Effects

DCJS also disagrees with notion described in the EIA that existing private investigators and personal protection specialists who currently have business licenses and cash/surety bonds would be prohibited from working as independent contractors unless they obtain general liability insurance. Obtaining a private security business license entitles businesses to engage in contractual agreements. In other words, private security businesses already meet the statutory requirements regarding insurance, regardless of whether they are operated by one person or one-hundred people, and can still conduct business without having to switch from a bond to insurance.

Chapter 202 of the 2015 Acts of Assembly allows licensed private security businesses to contract with individuals who are registered as private investigators or personal protection specialists who are not licensed as businesses. The law does not impact or prevent a private security business which has general liability insurance from contracting with another private security business which has a surety or cash bond.

DCJS staff takes issue with the figures reported by DPB staff regarding the cost to obtain a surety bond. The EIA provides figures from one licensee who currently maintains a surety bond. DPB has included this figure referenced as an estimate but provides no information regarding the basis of the estimate. The cost of a surety bond is calculated not only based on the total amount of the bond but also the risk of the particular business and the risk of the individual applicant attempting to obtain the bond. The EIA does not state if the licensee consulted anyone to obtain the estimate nor does it specify if this individual has any additional risk factors influencing the cost of the bond. Additionally, Board staff is concerned that the footnote included by DPB is misleading as it references Board research findings but is attached to a statement that does not identify or reflect any research conducted by the DCJS Research Center. At best, the surety cost estimate cited in the EIA is spurious.

Effects on the Use and Value of Private Property

DCJS believes that these regulatory changes will have absolutely no impact on the use or value of private property in the Commonwealth.

Alternative Methods that Minimizes Adverse Impact

As stated above, the cost to purchase a general liability insurance policy is the same regardless of whether the policy provides \$100,000 or \$1,000,000 in coverage.

The research conducted by the DCJS Research Center, the information gathered by DCJS staff to compile the agency background document, and the information in this response to the EIA supports the Governor's initiative to use evidence based decision making in determining public policy that impacts public safety and citizens of the Commonwealth.

An Examination of Private Security Business Insurance Limits



February 2016

www.dcis.virginia.gov

An Examination of Private Security Business Insurance Limits

The Department of Criminal Justice Services (DCJS) Research Center was asked by the Division of Law Enforcement and Security Services to analyze and report on the liability insurance limits reported by private security (PS) services businesses currently registered with DCJS. This report presents the findings of the analysis.

Code of Virginia § 9.1-144. Bond or insurance required; actions against bond.

A. Every person licensed as a private security services business under subsection A of § 9.1-139 or certified as a private security services training school under subsection B of § 9.1-139 shall, at the time of receiving the license or certification and before the license or certification shall be operative, file with the Department (i) a cash bond or evidence that the licensee or certificate holder is covered by a surety bond, executed by a surety company authorized to do business in the Commonwealth, in a reasonable amount to be fixed by the Department, conditioned upon the faithful and honest conduct of his business or employment; or (ii) evidence of a policy of liability insurance in an amount and with coverage as fixed by the Department. The bond or liability insurance shall be maintained for so long as the licensee or certificate holder is licensed or certified by the Department.

Regulation 6VAC20-172-40. Initial License Application

- B. Each person seeking a license shall file a completed application provided by the department including:
1. For each principal and supervisor of the applying business and for each electronic security employee of an electronic security business, his fingerprints pursuant to this chapter;
 2. Documentation verifying that the applicant has secured a surety bond in the amount of \$100,000 executed by a surety company authorized to do business in Virginia, or a certificate of insurance reflecting the department as a certificate holder, showing a policy of comprehensive general liability insurance with a minimum coverage of \$100,000 per individual occurrence and \$300,000 general aggregate issued by an insurance company authorized to do business in Virginia;

Regulation 6VAC20-172-50. Renewal Business License Application

- C. The department may renew a license when the following are received by the department:
1. A properly completed renewal application;
 2. Documentation verifying that the applicant has secured and maintained a surety bond in the amount of \$100,000 executed by a surety company authorized to do business in Virginia, or a certificate of insurance reflecting the department as a certificate holder showing a policy of comprehensive general liability insurance with a minimum coverage of \$100,000 per individual occurrence and \$300,000 general aggregate issued by an insurance company authorized to do business in Virginia.

PS business insurance requirements per current regulation are:

A surety bond in the amount of \$100,000

OR

Comprehensive general liability insurance with a minimum coverage of \$100,000 per individual occurrence *AND* \$300,000 general aggregate

What is a surety bond? Surety bonds are a financial guarantee of performance of a specific action. For example, a builder may be required by his client to buy a bond under the terms of a construction contract. If the builder fails to perform as agreed, the client can get a settlement. The bonding company will then seek reimbursement from the builder, who is the principal under the surety bond. A surety bond is not liability insurance.

What is comprehensive general liability insurance? Commercial general liability insurance protects a business from financial loss resulting from claims of injury or damage caused to others by the business. A comprehensive policy typically covers:

- Bodily Injury – physical damage to a person other than an employee of the business and injuries caused by the business at a client’s home or work place
- Personal Injury – libel, slander, copyright infringement, invasion of property or privacy, wrongful eviction, false arrest and similar acts that cause damage to a person’s reputation or rights
- Property Damage – damage done to another person’s property by the business in the course of conducting business
- Advertising Injury – losses caused by the businesses’ advertising
- Legal Defense and Judgments – costs to defend against real and frivolous suits and judgments up to the limit of coverage. This generally does not include punitive damages for negligence or willful misconduct

These policies may be written on either an “occurrence basis” or on a “claims-made basis.” A policy written on an occurrence basis covers incidents that occur during the policy period, regardless of when the claim is reported to the insurance company (even if it is reported after the policy expires).

What is a general aggregate insurance? A general aggregate insurance limit is the maximum amount of money the insurer will pay out during a policy term. This is different from a “per occurrence” limit, which is the maximum amount the policy pays out per claim levied against the business within the term of the policy. Once the general aggregate limit has been exhausted, the insurer is under no obligation to cover further losses in any of the categories covered under the general liability policy.

What is umbrella liability insurance? Some PS businesses carry an umbrella liability policy. This type of policy provides protection over and above the limits of a basic general liability policy. Umbrella liability insurance is currently not required by regulation.

How is the total liability insurance limit calculated? For businesses with a surety bond, the total liability insurance limit is equal to the limit of the surety bond. For businesses with insurance, the total limit is the sum of the aggregate limit (the maximum amount for which the business is insured under a general liability policy) plus the umbrella policy limit (if the business has an umbrella policy).

From: *Commercial Insurance Consumer's Guide*, prepared by Commonwealth of Virginia State Corporation Commission Bureau of Insurance; <http://www.einsurance.com/insurance-guide/virginia/general-liability-insurance/>; <http://honigconte.com/general-aggregate-limit-understanding/>

What liability insurance limits are currently carried by PS businesses and how do they comply with current regulations?

The Research Center selected a random sample of PS businesses from each of the seven PS business categories currently regulated by DCJS:

- Security Officer (sample size N=78)
- Private Investigation (N=82)
- Armored Car (N=15)
- Security Canine Handling (N=15)
- Personal Protection (N=52)
- Electronic Security (N=86)
- Locksmith (N=72)

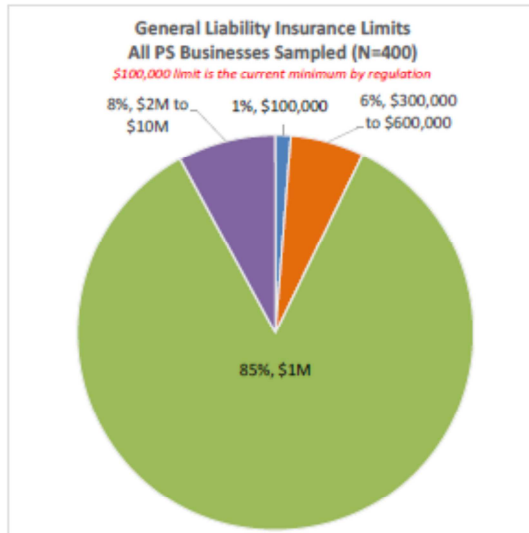
The Research Center was solely responsible for the selection of the random sample. Each sample was selected to be representative of the business category at a 95% confidence interval with a ± 10 margin of error with two exceptions. Since the number of armored car and security canine handling services businesses registered with DCJS is small, all armored car and security canine handling services businesses were included. The final sample sizes for each category are proportional to the total number of businesses registered in each category. 400 businesses total made up the final sample. This total is a bit over 20% — or 1 out of 5 — of all PS businesses currently registered with DCJS.

After the businesses were selected, personnel in the Division pulled insurance certificates submitted by the businesses to build an Excel database of the liability insurance limits reported by each.

The Research Center then analyzed the data from the 400 businesses to summarize currently held liability insurance limits.

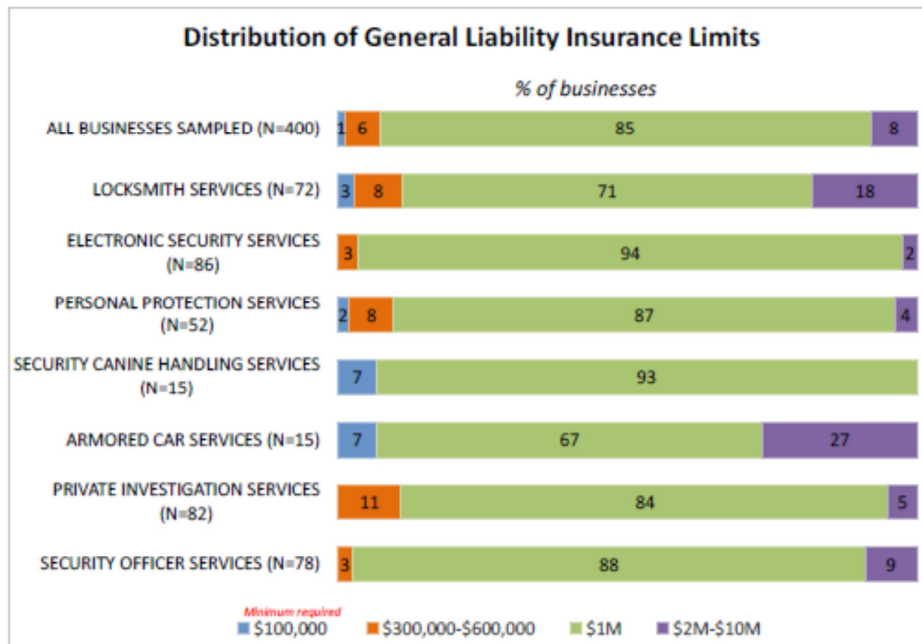
Findings

General Liability per Occurrence

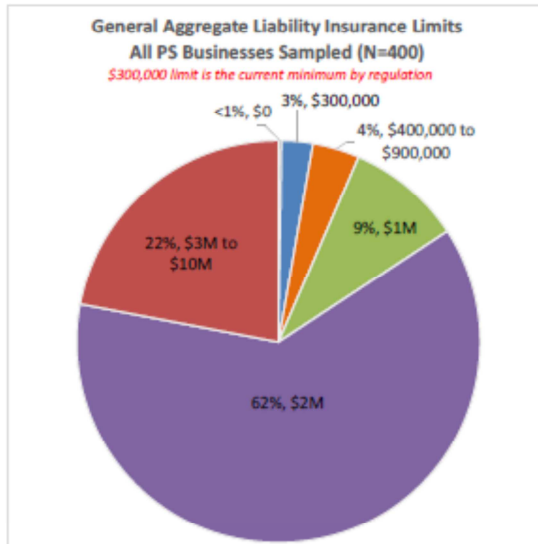


- 99% (N=395) of businesses have a general liability insurance limit that exceeds the \$100,000 minimum
- 1 business has a \$100,000 surety bond in lieu of general liability insurance
- 93% (N=371) have a general liability limit of \$1,000,000 or more (range \$1,000,000 to \$10,000,000)
- Average general liability insurance limit: \$1,160,250

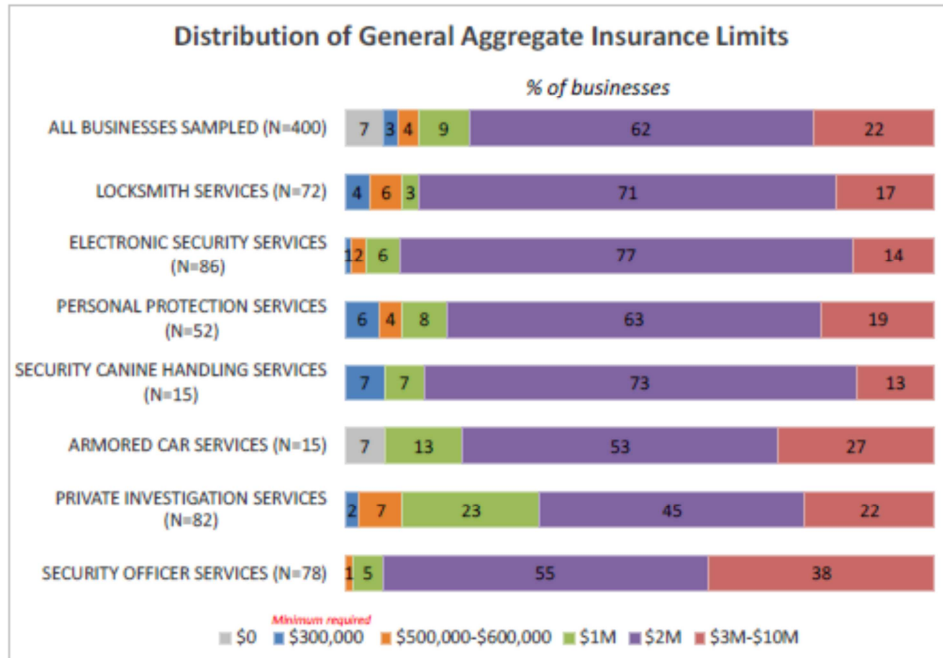
The next chart shows the distribution of general liability insurance limits for each of the 7 PS business categories. The titles on the left of the chart show the number of businesses sampled (“N=”), and the bar chart to the right shows the *percentage* of businesses reporting a particular limit.



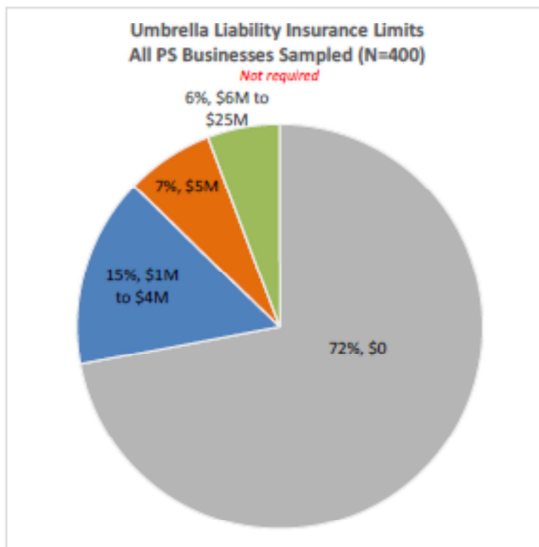
General Aggregate Liability



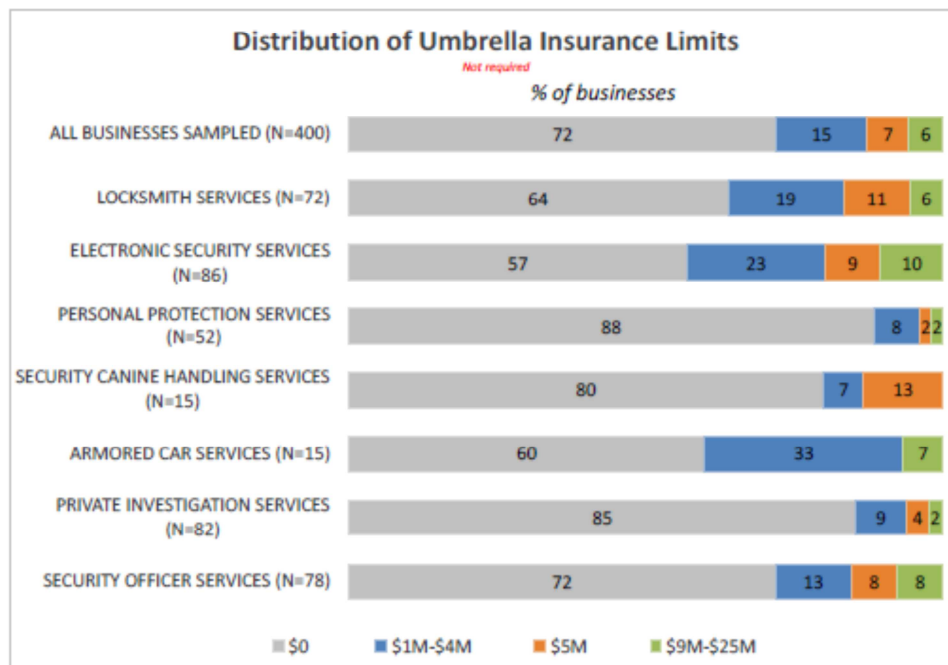
- 1 businesses has a surety bond in lieu of aggregate liability insurance
- 97% (N=389) of businesses have a general aggregate liability limit that exceeds the \$300,000 minimum
- 93% (N=337) have an aggregate liability insurance limit of \$1,000,000 or more (range \$1,000,000 to \$10,000,000)
- Average general aggregate liability limit: \$2,344,361



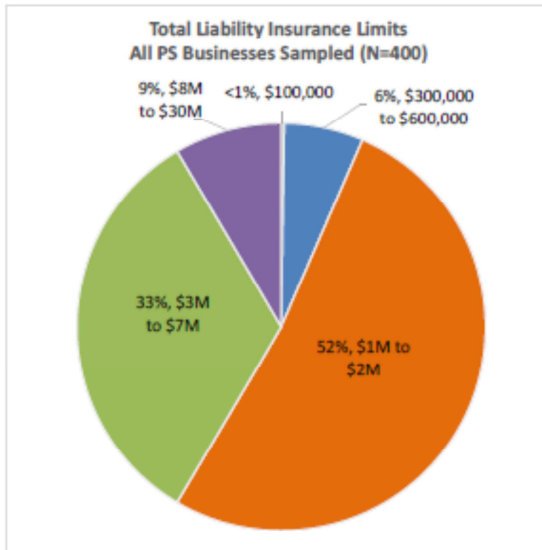
Umbrella Liability



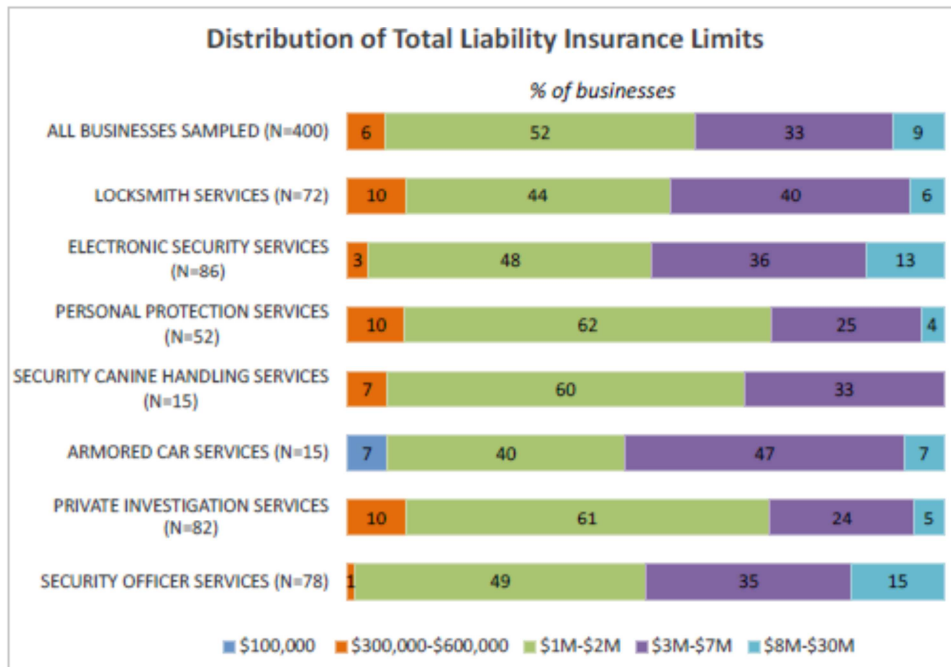
- Umbrella liability is not currently required in the regulations. Nonetheless, 28% (N=112) of PS businesses carry an umbrella liability policy
- Umbrella liability limits reported range from \$1,000,000 to \$25,000,000
- Average umbrella liability limit: \$4,651,786



Total Liability Insurance Limit (Aggregate+Umbrella)



- 94% (N=374) of businesses have a total limit of \$1,000,000 or more (range \$1,000,000 to \$30,000,000)
- Average total liability insurance limit: \$3,641,250



PS Business Sample Selection Methodology

2513 businesses (a single business may initially appear in one or many business categories)

Step One:

Selected all Armored Car Services (N=16) and Security Canine Handling Services (N=16) businesses. Since there were two companies that provide both services ended with a total of 30 unique businesses.

Step Two:

Identified all businesses that provide Security Officer Services (SOS) excluding any of the 30 companies selected in Step One that also provide SOS. N=432. Used Survey Monkey's Sample Size calculator to determine a sample size with 95% confidence interval and margin of error 10 for a population of 432. Sample size needed = 79. Numbered the SOS businesses 1 through 432. Used Excel to generate 79 random numbers between 1 and 432. Selected the corresponding SOS businesses.

Step Three:

Identified all businesses that provide Personal Protection Services (PPS) excluding any of the companies selected in Steps One and Two that also provide PPS. N=489. Used Survey Monkey's Sample Size calculator as in Step Two to determine sample size needed: N=52. Numbered the PPS businesses 1 to 489. Used Excel to generate 52 random numbers between 1 and 489. Selected the corresponding PPS businesses.

Step Four:

Identified all businesses that provide Electronic Security Services (ESS) excluding any of the companies selected in Steps One through Three above that also provide ESS. N=949. Used Survey Monkey's Sample Size calculator as described above to determine sample size needed: N=88. Numbered the ESS businesses 1 to 949. Used Excel to generate 88 random numbers between 1 and 949. Selected the corresponding ESS businesses.

Step Five:

Identified all businesses that provide Locksmith Service (LS) excluding any of the companies selected in Steps One through Four above that also provide LS. N=312. Used Survey Monkey's Sample Size calculator as described above to determine sample size needed: N=74. Numbered the Locksmith businesses 1 to 312. Used Excel to generate 74 random numbers between 1 and 312. Selected the corresponding LS businesses.

This resulted in a total of 405 businesses selected.

After the businesses were selected, it was discovered that there were some duplicates within each category (a result of duplicate records in the extract of businesses pulled from the DCJS PS license database). After deleting the duplicates the final sample sizes by business category were:

Security Officer N=78
Private Investigation N=82
Armored Car N=15
Security Canine Handling N=15
Personal Protection N=52
Electronic Security N=86
Locksmith N=72

Final selection total = 400 businesses