

AMENDED IN ASSEMBLY APRIL 16, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 761**

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**Introduced by Assembly Member Maddox**

February 22, 2001

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An act to amend Section 125.9 of, and to add Section 7558.6 to, the Business and Professions Code, relating to private investigators.

LEGISLATIVE COUNSEL'S DIGEST

AB 761, as amended, Maddox. Private investigators: continuing education.

(1) Existing law authorizes each of the boards, bureaus, and commissions within the Department of Consumer Affairs, and the Osteopathic Medical Board of California, to establish a system of citation issuance for licensees who are in violation of an applicable licensing act or regulation.

This bill would remove the authority of the department to issue citations to licensed private investigators on December 31, 2004.

(2) Existing law provides that a private investigator license expires 2 years following the date of issuance, or on the assigned renewal date. A licensee is required to apply for a renewal and pay a renewal fee in order to renew his or her license.

This bill would establish continuing education requirements for licensed private investigators, and would make renewal of a private investigator's license contingent upon meeting those requirements. The bill would also specify standards to be met by continuing education providers, and an approval process by the Department of Consumer Affairs for those providers. *The bill would authorize a licensee to*

*request that his or her license be placed on inactive status and to reactivate the license by making a statement under penalty of perjury that he or she has obtained 14 hours of continuing education. Because this bill would expand the crime of perjury, the bill would impose a state-mandated local program.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: ~~no~~ yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 125.9 of the Business and Professions  
2 Code is amended to read:  
3 125.9. (a) Except with respect to persons regulated under  
4 Chapter 8 (commencing with Section 6850), Chapter 11  
5 (commencing with Section 7500), Chapter 11.5 (commencing  
6 with Section 7580), and Chapter 11.6 (commencing with Section  
7 7590) of Division 3, or a person holding a license specified in  
8 paragraph (1), (6), or (7) of subdivision (b) of Section 9941, any  
9 board, bureau, or commission within the department, and the  
10 Osteopathic Medical Board of California, may establish, by  
11 regulation, a system for the issuance to a licensee of a citation  
12 which may contain an order of abatement or an order to pay an  
13 administrative fine assessed by the board, bureau, or commission  
14 where the licensee is in violation of the applicable licensing act or  
15 any regulation adopted pursuant thereto.  
16 (b) The system shall contain the following provisions:  
17 (1) Citations shall be in writing and shall describe with  
18 particularity the nature of the violation, including specific  
19 reference to the provision of law determined to have been violated.  
20 (2) Whenever appropriate, the citation shall contain an order of  
21 abatement fixing a reasonable time for abatement of the violation.  
22 (3) In no event shall the administrative fine assessed by the  
23 board, bureau, or commission exceed two thousand five hundred  
24 dollars (\$2,500) for each inspection or each investigation made



1 with respect to the violation, or two thousand five hundred dollars  
2 (\$2,500) for each violation or count if the violation involves  
3 fraudulent billing submitted to an insurance company, the  
4 Medi-Cal program, or Medicare. In assessing a fine, the board,  
5 bureau, or commission shall give due consideration to the  
6 appropriateness of the amount of the fine with respect to factors  
7 such as the gravity of the violation, the good faith of the licensee,  
8 and the history of previous violations.

9 (4) A citation or fine assessment issued pursuant to a citation  
10 shall inform the licensee that if he or she desires a hearing to  
11 contest the finding of a violation, that hearing shall be requested  
12 by written notice to the board, bureau, or commission within 30  
13 days of the date of issuance of the citation or assessment. If a  
14 hearing is not requested pursuant to this section, payment of any  
15 fine shall not constitute an admission of the violation charged.  
16 Hearings shall be held pursuant to Chapter 5 (commencing with  
17 Section 11500) of Part 1 of Division 3 of Title 2 of the Government  
18 Code.

19 (5) Failure of a licensee to pay a fine within 30 days of the date  
20 of assessment, unless the citation is being appealed, may result in  
21 disciplinary action being taken by the board, bureau, or  
22 commission. Where a citation is not contested and a fine is not  
23 paid, the full amount of the assessed fine shall be added to the fee  
24 for renewal of the license. A license shall not be renewed without  
25 payment of the renewal fee and fine.

26 (c) The system may contain the following provisions:

27 (1) A citation may be issued without the assessment of an  
28 administrative fine.

29 (2) Assessment of administrative fines may be limited to only  
30 particular violations of the applicable licensing act.

31 (d) Notwithstanding any other provision of law, if a fine is paid  
32 to satisfy an assessment based on the finding of a violation,  
33 payment of the fine shall be represented as satisfactory resolution  
34 of the matter for purposes of public disclosure.

35 (e) Administrative fines collected pursuant to this section shall  
36 be deposited in the special fund of the particular board, bureau, or  
37 commission.

38 (f) The authority of the Department of Consumer Affairs to  
39 issue citations to licensed private investigators shall remain in  
40 effect only until December 31, 2004.

1 SEC. 2. Section 7558.6 is added to the Business and  
2 Professions Code, to read:

3 7558.6. (a) Any individual licensed as a private investigator  
4 shall complete ~~16~~ 14 hours of continuing education units, as  
5 approved by the department, in order to renew his or her license,  
6 ~~of which~~ *and of these*, two hours shall be in the subject of ethics  
7 and two hours shall be in the subject of privacy.

8 (b) A licensee shall submit to the department a statement signed  
9 under penalty of perjury attesting that he or she has completed the  
10 continuing education requirements in subdivision (a). This  
11 statement shall be submitted with the license renewal application.

12 (c) A licensee shall maintain, for a period of six years, copies  
13 of certificates of continuing education completion demonstrating  
14 compliance with the continuing education requirements in  
15 subdivision (a).

16 (d) The department shall suspend the license of any licensee  
17 who is found not to be in compliance with subdivision (a), (b), or  
18 (c), for a period not to exceed 60 days, at which time the  
19 department shall revoke the license unless the required continuing  
20 education units have been completed.

21 (e) A licensee renewing his or her license during the period  
22 from January 1, 2002, to December 31, 2002, inclusive, shall  
23 submit to the department a statement signed under penalty of  
24 perjury attesting that he or she has completed ~~eight~~ *seven* hours of  
25 continuing education units.

26 (f) Continuing Education Providers (CEP) shall obtain  
27 approval from the ~~department~~ *Advisory Committee established*  
28 *pursuant to subdivision (j)* prior to offering a course for continuing  
29 education units to licensed private investigators.

30 (1) The department shall establish a procedure for approving  
31 CEPs to offer continuing education units to licensed private  
32 investigators.

33 (2) Continuing Education Providers shall submit to the  
34 department a course description, certificate and curriculum vitae  
35 of course instructors for review and approval.

36 (3) Continuing Education Providers offering these continuing  
37 education units shall pay an application fee of five hundred dollars  
38 (\$500), ~~on a biennial basis~~, to the department. *Continuing*  
39 *education providers shall pay a renewal fee of one hundred dollars*  
40 *(\$100), on a biennial basis, to the department thereafter.*



1 (4) Continuing Education Providers shall maintain a record of  
2 course sign-in forms, sign-out forms, student enrollment, copies  
3 of certificates of completion, and course outlines for a period of six  
4 years.

5 (5) Continuing Education Providers shall agree to audits  
6 performed by the department.

7 (6) The department may revoke or deny the right of a CEP to  
8 offer continuing education units for failure to comply with any of  
9 the requirements of this subdivision.

10 (g) The department shall deem accredited colleges and  
11 universities as approved CEPs with approval of courses by the  
12 Bureau of Security and Investigative Services.

13 (h) The department shall audit on an annual basis not less than  
14 10 percent of license renewal submissions and CEP applications.

15 (i) The department shall submit a report to the Legislature no  
16 later than January 1, 2004, evaluating the progress of the  
17 continuing education requirements of this section.

18 ~~(j) The department director shall convene an advisory~~  
19 ~~committee~~ *appoint a director* to consult with the department in the  
20 consideration and approval of course providers and course  
21 content. ~~The advisory committee shall include representatives~~  
22 *director shall appoint one representative* of course providers and  
23 ~~of professional associations of licensed private investigators. one~~  
24 *representative of each nonprofit organization established under*  
25 *Section 7110 of the Corporations Code and having a minimum of*  
26 *100 members licensed as private investigators, to the Advisory*  
27 *Committee.*

28 (k) *The Advisory Committee shall approve course providers*  
29 *and course content, and shall receive advice from the Department*  
30 *of Consumer Affairs.*

31 (l) *A licensed private investigator may apply to the department*  
32 *to request that his or her license be placed on inactive status.*  
33 *Licensees who hold an inactive license shall pay a biennial fee of*  
34 *sixty-two dollars and fifty cents (\$62.50), and shall be exempt from*  
35 *the continuing education requirements in this section.*

36 (m) *A licensee who holds an inactive license may reactivate his*  
37 *or her license at two-year intervals upon submission to the*  
38 *department of a statement made under penalty of perjury that he*  
39 *or she has obtained 14 hours of continuing education units, and*



1 upon payment of a renewal fee, as set forth in Section 7570, to the  
2 department.

3 SEC. 3. No reimbursement is required by this act pursuant to  
4 Section 6 of Article XIII B of the California Constitution because  
5 the only costs that may be incurred by a local agency or school  
6 district will be incurred because this act creates a new crime or  
7 infraction, eliminates a crime or infraction, or changes the penalty  
8 for a crime or infraction, within the meaning of Section 17556 of  
9 the Government Code, or changes the definition of a crime within  
10 the meaning of Section 6 of Article XIII B of the California  
11 Constitution.

