

AMENDED IN ASSEMBLY SEPTEMBER 4, 2001

AMENDED IN ASSEMBLY AUGUST 27, 2001

AMENDED IN ASSEMBLY JULY 16, 2001

AMENDED IN ASSEMBLY JULY 5, 2001

AMENDED IN SENATE APRIL 25, 2001

**SENATE BILL**

**No. 722**

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**Introduced by Senator Figueroa**

February 23, 2001

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An act to amend Sections 6980.79, 7570, 7582.12, 7582.20, 7582.21, 7582.26, 7582.27, 7582.28, 7583.7, 7587.7, 7587.8, 7587.9, 7587.10, 7587.12, 7587.14, 7588, and 7599.70 of the Business and Professions Code, relating to private security services, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 722, as amended, Figueroa. Security businesses.

The Private Security Services Act provides for the licensure and regulation by the Department of Consumer Affairs and its Bureau of Security and Investigative Services of persons engaged in the provision of private security services and requires, among other matters, that a person entering the employ of a private security service take a 2-hour training class regarding the power to arrest. The act requires the department to make available a guidebook as a standard for teaching this course.

This bill would change the length of the power to arrest training class required by the act to 3 hours and would require that the majority of the

courses be taught by verbal instruction. The bill would require a private patrol operator to provide a copy of the guidebook prepared by the department to each person he or she intends to employ or currently employs as a security guard.

Existing law provides for the payment of various fees and the assessment of fines for locksmith licensees, private investigators, private security services, private patrol operators, and alarm companies. Existing law requires private patrol operator licensees to meet various operating requirements.

This bill would increase the amounts of specified fees and fines. The bill would impose fines on private patrol operator licensees for violations of certain operating requirements. The bill would also delete specified provisions regarding agency regulation of fees and fines.

Because this bill would increase fee and fine revenue deposited into the Private Security Services Fund, a continuously appropriated fund, the bill would make an appropriation.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

- 1 SECTION 1. Section 6980.79 of the Business and Professions
- 2 Code is amended to read:
- 3 6980.79. The fees prescribed by this chapter are those fixed
- 4 in the following schedule:
- 5 (a) A locksmith license application fee may not exceed thirty
- 6 dollars (\$30).
- 7 (b) An original license and renewal fee for a locksmith license
- 8 may not exceed forty-five dollars (\$45).
- 9 (c) A branch office registration fee and branch office renewal
- 10 fee may not exceed thirty-five dollars (\$35).
- 11 (d) Notwithstanding Section 163.5, the reinstatement fee as
- 12 required by Section 6980.28 is the amount equal to the renewal fee
- 13 plus a penalty of 50 percent thereof.
- 14 (e) An initial registration fee for an employee may not exceed
- 15 twenty dollars (\$20).
- 16 (f) A registration renewal fee for an employee performing the
- 17 services of a locksmith may not exceed twenty dollars (\$20).
- 18 (g) The fingerprint processing fee is that amount charged the
- 19 bureau by the Department of Justice.



1 (h) All applicants seeking a license pursuant to this chapter  
2 shall also remit to the bureau the fingerprint fee that is charged to  
3 the bureau by the Department of Justice.

4 (i) The fee for a “Certificate of Licensure” may not exceed  
5 twenty dollars (\$20).

6 (j) A delinquency fee is the amount equal to the renewal fee  
7 plus a penalty of 50 percent thereof.

8 SEC. 2. Section 7570 of the Business and Professions Code  
9 is amended to read:

10 7570. The fees prescribed by this chapter are as follows:

11 (a) The application and examination fee for an original license  
12 may not exceed fifty dollars (\$50).

13 (b) The application fee for an original branch office certificate  
14 may not exceed thirty dollars (\$30).

15 (c) The fee for an original license for a private investigator may  
16 not exceed one hundred seventy-five dollars (\$175).

17 (d) The renewal fee is as follows:

18 (1) For a license as a private investigator, the fee may not  
19 exceed one hundred twenty-five dollars (\$125).

20 (2) For a combination license as a private investigator and  
21 private patrol operator under Chapter 11.5 (commencing with  
22 Section 7580), AC or DC prefix, the fee may not exceed six  
23 hundred dollars (\$600).

24 (3) For a branch office certificate for a private investigator, the  
25 fee may not exceed thirty dollars (\$30), and for a combination  
26 private investigator and private patrol operator under Chapter 11.5  
27 (commencing with Section 7580), the fee may not exceed forty  
28 dollars (\$40).

29 (e) The delinquency fee is 50 percent of the renewal fee in  
30 effect on the date of expiration.

31 (f) A reinstatement fee is equal to the amount of the renewal fee  
32 plus the regular delinquency fee.

33 (g) The fee for reexamination of an applicant or his or her  
34 ~~manager shall be the actual cost to the bureau for developing,~~  
35 ~~purchasing, grading, and administering each examination.~~  
36 *manager may not exceed fifteen dollars (\$15).*

37 SEC. 3. Section 7582.12 of the Business and Professions  
38 Code is amended to read:

39 7582.12. (a) The license shall at all times be posted in a  
40 conspicuous place in the principal place of business of the licensee.



1 (b) The director may assess a fine of two hundred fifty dollars  
2 (\$250) per violation of subdivision (a).

3 SEC. 4. Section 7582.20 of the Business and Professions  
4 Code is amended to read:

5 7582.20. (a) Every advertisement by a licensee soliciting or  
6 advertising business shall contain his or her name, address and  
7 license number as they appear in the records of the bureau. For the  
8 purpose of this section, “advertisement” includes any business  
9 card, stationary, brochure, flyer, circular, newsletter, fax form,  
10 printed or published paid advertisement in any media form, or  
11 telephone book listing. Every advertisement by a licensee  
12 soliciting or advertising the licensee’s business shall contain his or  
13 her business name, business address or business telephone  
14 number, and license number, as they appear in the records of the  
15 bureau.

16 (b) The director may assess a fine of two hundred fifty dollars  
17 (\$250) per violation of subdivision (a).

18 SEC. 5. Section 7582.21 of the Business and Professions  
19 Code is amended to read:

20 7582.21. (a) A licensee shall not advertise or conduct  
21 business from any location other than that shown on the records of  
22 the bureau as his or her principal place of business unless he or she  
23 has received a branch office certificate for the location after  
24 compliance with the provisions of this chapter and any additional  
25 requirements necessary for the protection of the public as the  
26 director may by regulation prescribe. A licensee shall notify the  
27 bureau in writing within 10 days after closing or changing the  
28 location of a branch office.

29 (b) The director may assess a fine of five hundred dollars  
30 (\$500) for the first violation of subdivision (a) and one thousand  
31 dollars (\$1,000) for each violation thereafter.

32 SEC. 6. Section 7582.26 of the Business and Professions  
33 Code is amended to read:

34 7582.26. (a) Any licensee or officer, director, partner, or  
35 manager of a licensee may divulge to any law enforcement officer  
36 or district attorney, or his or her representative, any information he  
37 or she may acquire as to any criminal offense, but he or she shall  
38 not divulge to any other person, except as he or she may be required  
39 by law so to do, any information acquired by him or her except at



1 the direction of the employer or client for whom the information  
2 was obtained.

3 (b) No licensee or officer, director, partner, manager, or  
4 employee of a licensee shall knowingly make any false report to  
5 his or her employer or client for whom information was being  
6 obtained.

7 (c) No written report shall be submitted to a client except by the  
8 licensee, qualifying manager, or a person authorized by one or  
9 either of them, and the person submitting the report shall exercise  
10 diligence in ascertaining whether or not the facts and information  
11 in the report are true and correct.

12 (d) No licensee, or officer, director, partner, manager, or  
13 employee of a licensee, shall use a title, or wear a uniform, or use  
14 an insignia, or use an identification card, or make any statement  
15 with the intent to give an impression that he or she is connected in  
16 any way with the federal government, a state government, or any  
17 political subdivision of a state government.

18 (e) No licensee, or officer, director, partner, manager, or  
19 employee of a licensee, shall enter any private building or portion  
20 thereof, except premises commonly accessible to the public,  
21 without the consent of the owner or of the person in legal  
22 possession thereof.

23 (f) No private patrol licensee or officer, director, partner,  
24 manager, or employee of a private patrol licensee shall use or wear  
25 a badge, except while engaged in guard or patrol work and while  
26 wearing a distinctive uniform. A private patrol licensee or officer,  
27 director, partner, manager, or employee of a private patrol licensee  
28 wearing a distinctive uniform shall wear a patch on each shoulder  
29 of his or her uniform that reads “private security” and that  
30 includes the name of the private patrol company by which the  
31 person is employed or for which the person is a representative and  
32 a badge or cloth patch on the upper left breast of the uniform. All  
33 patches and badges worn on a distinctive uniform shall be of a  
34 standard design approved by the director and shall be clearly  
35 visible.

36 The director may assess a fine of two hundred fifty dollars  
37 (\$250) per violation of this subdivision.

38 (g) No licensee shall permit an employee or agent in his or her  
39 own name to advertise, engage clients, furnish reports or present  
40 bills to clients, or in any manner whatever conduct business for



1 which a license is required under this chapter. All business of the  
2 licensee shall be conducted in the name of and under the control  
3 of the licensee.

4 (h) No licensee shall use a fictitious name in connection with  
5 the official activities of the licensee’s business.

6 (i) No private patrol operator licensee or officer, director,  
7 partner, or manager of a private patrol operator licensee, or person  
8 required to be registered as a security guard pursuant to this  
9 chapter shall use or wear a baton or exposed firearm as authorized  
10 by this chapter unless he or she is wearing a uniform which  
11 complies with the requirements of Section 7582.27.

12 SEC. 7. Section 7582.27 of the Business and Professions  
13 Code is amended to read:

14 7582.27. (a) Any person referred to in subdivision (i) of  
15 Section 7582.26 who uses or wears a baton or exposed firearm as  
16 authorized pursuant to this chapter shall wear a patch on each arm  
17 that reads “private security” and that includes the name of the  
18 company by which the person is employed or for which the person  
19 is a representative. The patch shall be clearly visible at all times.  
20 The patches of a private patrol operator licensee, or his or her  
21 employees or representatives shall be of a standard design  
22 approved by the director.

23 (b) The director may assess a fine of two hundred fifty dollars  
24 (\$250) per violation of subdivision (a).

25 SEC. 8. Section 7582.28 of the Business and Professions  
26 Code is amended to read:

27 7582.28. (a) Any badge or cap insignia worn by a person who  
28 is a licensee, officer, director, partner, manager, or employee of a  
29 licensee shall be of a design approved by the director, and shall  
30 bear on its face a distinctive word indicating the name of the  
31 licensee and an employee number by which the person may be  
32 identified by the licensee.

33 The provisions of this section shall not be construed to authorize  
34 persons to wear badges who are prohibited by Section 7582.26  
35 from wearing badges.

36 (b) The director may assess a fine of two hundred fifty dollars  
37 (\$250) per violation of subdivision (a).

38 SEC. 9. Section 7583.7 of the Business and Professions Code  
39 is amended to read:



1 7583.7. (a) The course of training in the exercise of the power  
2 to arrest may be administered, tested, and certified by any licensee.  
3 The department may approve any person or school to teach the  
4 course in the exercise of the power to arrest. The course of training  
5 shall be approximately three hours in length and shall cover the  
6 following topics:

7 (1) Responsibilities and ethics in citizen arrest.

8 (2) Relationship between a security guard and a peace officer  
9 in making an arrest.

10 (3) Limitations on security guard power to arrest.

11 (4) Restrictions on searches and seizures.

12 (5) Criminal and civil liabilities.

13 (A) Personal liability.

14 (B) Employer liability.

15 (6) Any other topic deemed appropriate by the bureau.

16 (b) The majority of the course shall be taught by means of  
17 verbal instruction. This instruction may include the use of a video  
18 presentation.

19 (c) The department shall make available a guidebook as a  
20 standard for teaching the course in the exercise of the power to  
21 arrest. The department shall encourage additional training and  
22 may provide a training guide recommending additional courses to  
23 be taken by security personnel.

24 (d) Private patrol operators shall provide a copy of the  
25 guidebook described in subdivision (c) to each person they  
26 currently employ as a security guard and to each individual they  
27 intend to hire as a security guard. The private patrol operator shall  
28 provide the guidebook to each person he or she intends to hire as  
29 a security guard a reasonable time prior to the time the person  
30 begins the course in the exercise of the power to arrest.

31 (e) The bureau may inspect, supervise, or view the  
32 administration of the test at any time and without any prior  
33 notification. Any impropriety in the administration of the course  
34 or the test shall constitute grounds for disciplinary action.

35 SEC. 10. Section 7587.7 of the Business and Professions  
36 Code is amended to read:

37 7587.7. If, upon investigation, the director determines a  
38 licensee, including a corporation, or registrant is in violation of  
39 Section 7583.2, 7583.3, 7583.37, 7585.19, 7587.2, or 7587.14, the  
40 director may issue a citation to the licensee or registrant. The



1 citation shall be in writing and shall describe with particularity the  
2 nature of the violation, including specific reference to the  
3 provision of law determined to have been violated. If the director  
4 deems it appropriate, the citation may contain an order of  
5 abatement fixing a reasonable time for abatement of the violation  
6 and may contain an assessment of an administrative fine. The  
7 amount of the fine shall in no event exceed two thousand five  
8 hundred dollars (\$2,500) or as otherwise provided in this chapter,  
9 whichever is less.

10 A citation or fine assessment shall inform the licensee or  
11 registrant that if he or she contests the finding of a violation, they  
12 may request a review by a disciplinary review committee in  
13 accordance with Section 7581.3. If a review is not requested  
14 pursuant to this section, payment of any fine shall not constitute  
15 an admission of the violation charged. If a review is not allowed  
16 under this chapter, a licensee or registrant may request a hearing  
17 in accordance with the provisions of Chapter 5 (commencing with  
18 Section 11500) of Part 1 of Division 3 of Title 2 of the Government  
19 Code if he or she wishes to contest the findings of a violation, and  
20 if a hearing is not requested, payment of any fines shall not  
21 constitute an admission of the violation charged.

22 If the licensee or registrant neither requests a review, nor pays  
23 the assessed fine within 30 days of the assessment, the license or  
24 registration of the person shall not be renewed pursuant to the  
25 provisions of this chapter until the assessed fine is paid.

26 Administrative fines collected pursuant to this article shall be  
27 deposited in the Private Security Services Fund, which fund is  
28 hereby created to carry out the purposes of this chapter.

29 SEC. 11. Section 7587.8 of the Business and Professions  
30 Code is amended to read:

31 7587.8. The director may assess fines for the following acts  
32 pursuant to Article 4 (commencing with Section 7583) only as  
33 follows:

34 (a) Violation of subdivisions (a), (b), and (c) of Section 7583.2;  
35 one hundred dollars (\$100) per violation.

36 (b) Violation of subdivisions (h) and (i) of Section 7583.2; one  
37 hundred dollars (\$100) for the first violation and two hundred fifty  
38 dollars (\$250) per violation for each violation thereafter.

39 (c) Violation of subdivision (d) of Section 7583.2; one hundred  
40 dollars (\$100) per violation.



1 (d) Violation of subdivision (g) of Section 7583.2; five  
2 hundred dollars (\$500) for the first violation and one thousand five  
3 hundred dollars (\$1,500) per violation for each violation  
4 thereafter.

5 (e) Violation of subdivision (f) of Section 7583.2; two  
6 thousand five hundred dollars (\$2,500) per violation,  
7 notwithstanding any other provision of law.

8 SEC. 12. Section 7587.9 of the Business and Professions  
9 Code is amended to read:

10 7587.9. The director may assess fines for the following acts  
11 pursuant to Article 4 (commencing with Section 7583) only as  
12 follows:

13 (a) Violation of subdivisions (a) and (b) of Section 7583.3;  
14 twenty-five dollars (\$25) for the first violation and fifty dollars  
15 (\$50) per violation for each violation thereafter.

16 (b) Violation of subdivision (c) of Section 7583.3; two hundred  
17 fifty dollars (\$250) for the first violation and five hundred dollars  
18 (\$500) per violation for each violation thereafter.

19 (c) Violation of Section 7583.4; two hundred fifty dollars  
20 (\$250) for the first violation and five hundred dollars (\$500) per  
21 violation for each violation thereafter.

22 SEC. 13. Section 7587.10 of the Business and Professions  
23 Code is amended to read:

24 7587.10. The director may assess fines for the following acts  
25 pursuant to Article 4 (commencing with Section 7583) only as  
26 follows:

27 (a) Violation of subdivisions (c) and (d) of Section 7583.37;  
28 one hundred dollars (\$100) for the first violation and two hundred  
29 dollars (\$200) for each violation thereafter.

30 (b) Violation of subdivision (a) of Section 7583.37; one  
31 hundred dollars (\$100) for the first violation and five hundred  
32 dollars (\$500) for each violation thereafter.

33 (c) Violation of subdivision (e) of Section 7583.37; one  
34 thousand dollars (\$1000).

35 (d) Violation of subdivision (b) of Section 7583.37; one  
36 thousand dollars (\$1000) for the first violation and suspension of  
37 a firearm qualification card for six months for each violation  
38 thereafter.

39 SEC. 14. Section 7587.12 of the Business and Professions  
40 Code is amended to read:



1 7587.12. The director may assess fines for the following acts  
2 only as follows:

3 (a) Violations of paragraph (1), (2), (11), or (12) of subdivision  
4 (a) of Section 7585.19; one hundred dollars (\$100) for the first  
5 violation and five hundred dollars (\$500) for subsequent  
6 violations.

7 (b) Violations of paragraph (3), (7), (8), or (10) of subdivision  
8 (a) of Section 7585.19; five hundred dollars (\$500) for each  
9 violation.

10 (c) Violations of paragraph (6) of subdivision (a) of Section  
11 7585.19; two hundred fifty dollars (\$250) for each hour shortened.

12 (d) Violations of paragraph (4) of subdivision (a) of Section  
13 7585.19; five hundred dollars (\$500) for each violation.

14 (e) Violations of paragraph (5) of subdivision (a) of Section  
15 7585.19; five hundred dollars (\$500) for every hour the course has  
16 been shortened.

17 (f) Violations of paragraph (9) of subdivision (a) of Section  
18 7585.19; one thousand dollars (\$1,000) for each violation.

19 SEC. 15. Section 7587.14 of the Business and Professions  
20 Code is amended to read:

21 7587.14. The director may assess administrative fines against  
22 any licensee, registrant, or firearms qualification cardholder for  
23 failure to notify the bureau within 30 days of any change of  
24 residence or business address. The principal place of business may  
25 be at a home or at a business address, but it shall be the place at  
26 which the licensee maintains a permanent office.

27 (a) The fine shall be twenty-five dollars (\$25) for the first  
28 violation and fifty dollars (\$50) per violation for each violation  
29 thereafter by a licensee.

30 (b) The fine shall be fifty dollars (\$50) for each violation by a  
31 registrant or a firearms qualification cardholder.

32 SEC. 16. Section 7588 of the Business and Professions Code  
33 is amended to read:

34 7588. The fees prescribed by this chapter are as follows:

35 (a) The application and examination fee for an original license  
36 for a private patrol operator may not exceed five hundred dollars  
37 (\$500).

38 (b) The application fee for an original branch office certificate  
39 for a private patrol operator may not exceed two hundred fifty  
40 dollars (\$250).



1 (c) The fee for an original license for a private patrol operator  
2 may not exceed seven hundred dollars (\$700).

3 (d) The renewal fee is as follows:

4 (1) For a license as a private patrol operator, the fee may not  
5 exceed seven hundred dollars (\$700).

6 (2) For a combination license as a private investigator under  
7 Chapter 11.3 (commencing with Section 7512) and private patrol  
8 operator, AC or DC prefix, the fee may not exceed six hundred  
9 dollars (\$600).

10 (3) For a branch office certificate for a combination private  
11 investigator under Chapter 11.3 (commencing with Section 7512)  
12 and private patrol operator, the fee may not exceed forty dollars  
13 (\$40), and for a private patrol operator, the fee may not exceed  
14 seventy-five dollars (\$75).

15 (e) The delinquency fee is 50 percent of the renewal fee in  
16 effect on the date of expiration.

17 (f) A reinstatement fee is equal to the amount of the renewal fee  
18 plus the regular delinquency fee.

19 (g) The fee for reexamination of an applicant or his or her  
20 manager shall be the actual cost to the bureau for developing,  
21 purchasing, grading, and administering each examination.

22 (h) Registration fees pursuant to this chapter are as follows:

23 (1) A registration fee for a security guard may not exceed forty  
24 dollars (\$40).

25 (2) A security guard registration renewal fee may not exceed  
26 thirty dollars (\$30).

27 (i) Fees to carry out other provisions of this chapter are as  
28 follows:

29 (1) A firearms qualification fee may not exceed eighty dollars  
30 (\$80).

31 (2) A firearms requalification fee may not exceed sixty dollars  
32 (\$60).

33 (3) An initial baton certification fee may not exceed fifty  
34 dollars (\$50).

35 (4) An application fee and renewal fee for certification as a  
36 firearms training facility or a baton training facility may not  
37 exceed five hundred dollars (\$500).

38 (5) An application fee and renewal fee for certification as a  
39 firearms training instructor or a baton training instructor may not  
40 exceed two hundred fifty dollars (\$250).



1 SEC. 17. Section 7599.70 of the Business and Professions  
2 Code is amended to read:

3 7599.70. Effective July 1, 1998, the bureau shall establish and  
4 assess fees and penalties for licensure and registration as follows:

5 (a) A company license application fee may not exceed  
6 thirty-five dollars (\$35).

7 (b) An original license fee for an alarm company operator  
8 license may not exceed two hundred eighty dollars (\$280). A  
9 renewal fee for an alarm company operator license may not exceed  
10 three hundred thirty-five dollars (\$335).

11 (c) A qualified manager application and examination fee may  
12 not exceed one hundred five dollars (\$105).

13 (d) A renewal fee for a qualified manager may not exceed one  
14 hundred twenty dollars (\$120).

15 (e) An original license fee and renewal fee for a branch office  
16 certificate may not exceed thirty-five dollars (\$35).

17 (f) Notwithstanding Section 163.5, the reinstatement fee as  
18 required by Sections 7593.12 and 7598.17 is the amount equal to  
19 the renewal fee plus a penalty of 50 percent thereof.

20 (g) A fee for reexamination of an applicant for a qualified  
21 manager may not exceed two hundred forty dollars (\$240).

22 (h) An initial registration fee for an alarm agent may not exceed  
23 seventeen dollars (\$17).

24 (i) A registration renewal fee for an alarm agent may not exceed  
25 seven dollars (\$7).

26 (j) A firearms qualification fee may not exceed eighty dollars  
27 (\$80) and a firearms requalification fee may not exceed sixty  
28 dollars (\$60).

29 (k) The fingerprint processing fee is that amount charged the  
30 bureau by the Department of Justice.

31 (l) The processing fee required pursuant to Sections 7593.7 and  
32 7598.14 is the amount equal to the expenses incurred to provide  
33 a photo identification card.

34 (m) The fee for a "Certificate of Licensure" may not exceed  
35 fifty dollars (\$50).

36 (n) The delinquency fee is 50 percent of the renewal fee in  
37 effect on the date of expiration, but not less than twenty-five  
38 dollars (\$25).

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