

AMENDED IN ASSEMBLY JULY 14, 2015

AMENDED IN ASSEMBLY JULY 1, 2015

AMENDED IN SENATE JUNE 1, 2015

AMENDED IN SENATE APRIL 22, 2015

SENATE BILL

No. 468

Introduced by Senator Hill

February 25, 2015

An act to amend Sections 7508.1, 7508.2, 7508.3, 7508.4, ~~7508.5~~, 7508.6, 7542, 7563, 7566, 7583.4, 7583.6, 7583.12, 7583.22, 7583.23, 7583.33, 7587.8, 7587.9, 7587.10, 7587.12, 7587.14, 7597.1, 7597.2, 7597.3, 7597.5, 7597.6, 7598.51, 7598.53, 7599.32, 7599.33, 7599.34, 7599.36, 7599.37, 7599.38, ~~7599.39~~, 7599.40, 7599.41, 7599.42, 7599.44, 7599.45, 7599.54, and 7599.59 of, to add Section 7585.4.1 to, to add Article 10 (commencing with Section 6981) to Chapter 8.5 of, to add Article 12 (commencing with Section 7511.5) to Chapter 11 of, to add Article 8 (commencing with Section 7573.5) to Chapter 11.3 of, to add Article 6 (commencing with Section 7576) to Chapter 11.4 of, to add Article 9 (commencing with Section 7588.8) to Chapter 11.5 of, and to add Article 15 (commencing with Section 7599.80) to Chapter 11.6 of, Division 3 of, the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

SB 468, as amended, Hill. Bureau of Security and Investigative Services: licensees.

(1) Existing law provides for the regulation, by the Bureau of Security and Investigative Services, of locksmiths and the ~~employers~~ *employees* of locksmiths, repossessors, private investigators, private patrol

operators, armored contract carriers, firearms and baton training facilities, and employees of those licensees, alarm company operators and alarm agents, and proprietary security services.

This bill would subject the bureau to review by the appropriate policy committees of the Legislature.

(2) *Existing law, the Collateral Recovery Act, prohibits the use of an alias in connection with the official activities of a licensed repossession agency's business.*

This bill would instead prohibit the use of a business name other than the name of a licensed repossession agency in connection with the official activities of the licensee's business.

(2)

(3) Existing law prohibits a licensed private investigator and qualified manager who, in the course of his or her employment or business, carries a deadly weapon to carry or use a firearm unless he or she has in his or her possession a valid firearms qualification card and requires the licensed private investigator and qualified manager to comply with, and be subject to, specified provisions. Under existing law, a firearms qualification card does not authorize the holder of the card to carry a firearm capable of being concealed upon the person in a concealed manner, as specified.

This bill would authorize those licensed private investigators and qualified managers who possess a valid firearms qualification card to also carry a concealed firearm if they satisfy specified conditions. *The bill would also require, if a firearms qualification card is denied, the denial to be in writing and include the basis for the denial.*

(3)

(4) The Alarm Company Act requires that specified agreements entered into by an alarm company pertaining to alarm systems, including, among others, lease agreements, monitoring agreements, service agreements, and installation agreements, be in writing and to include specified items.

This bill would additionally require all initial residential sales and lease agreements that contain an automatic renewal provision to disclose that the agreement contains an automatic renewal provision, as provided.

(4)

(5) The Private Security Services Act provides, among other matters, for the licensure and regulation of private patrol operators by the Bureau of Security and Investigative Services within the Department of Consumer Affairs and makes a violation of its provisions a crime. Under

existing law, a person required to be registered as a security guard must report to his or her employer, within 24 hours of the incident, the circumstances surrounding the discharge of any firearm in which he or she is involved while acting within the course and scope of his or her employment. Existing law also requires a person registered as a security or patrolperson to deliver to the Director of Consumer Affairs and to local law enforcement a written report describing the circumstances surrounding the discharge of a firearm in which he or she was involved while acting within the course of his or her employment, within 7 days of the incident.

This bill would additionally impose the reporting duties upon the employer of the security guard or patrolperson.

~~(5)~~

(6) Existing law requires security guards, security patrolpersons, persons employed by private patrol operators and armored contract carriers, and registered uniform security guards to complete specified courses, acquire specified licenses, and be subject to specified provisions relating to their duties and relating to the carrying and use of a firearm or baton, as provided.

This bill would exempt from those provisions a federal *qualified* law enforcement ~~officer~~ *officer, as defined*.

~~(6)~~

(7) Existing law provides that any institution, firm, or individual wishing the approval of the Bureau of Security and Investigative Services to offer the firearms course must complete an application for certification as a firearms training facility, as specified.

This bill would require the bureau, within 90 days after issuance of a “Firearms Training Facility Certificate,” to inspect the facility for compliance with the specified requirements. The bill would authorize the bureau to inspect the facility prior to the issuance of a certificate. The bill would also require the bureau to maintain a program of random and targeted inspections of facilities to ensure compliance with applicable laws relating to the conduct and operation of facilities, and to inform facilities when the bureau determines that the facility is not in compliance with the above-mentioned laws.

~~(7)~~

(8) Existing law requires the Bureau of Security and Investigative Services to issue a firearms permit to a private patrol operator when specified conditions are satisfied, including that the bureau has determined, after investigation, that the carrying and use of a firearm

by the applicant, in the course of his or her duties, presents no apparent threat to the public safety.

This bill would, beginning July 1, 2017, require an applicant for a firearms permit or the renewal of a firearms permit to undergo a psychological evaluation by a licensed psychologist in order to certify the applicant’s psychological capability to exercise appropriate judgment, restraint, and self-control, as provided. The bill would authorize the bureau to decide whether an applicant be administered an additional evaluation after the discharge of a firearm, as described.

(8)

(9) The Collateral Recovery Act, the Private Investigator Act, the Private Security Services Act, and the Alarm Company Act impose, or authorize the imposition of, various fines and civil penalties, or suspend various licenses or permits issued pursuant to those acts, for violations of specified provisions of those acts.

This bill would revise specified fine amounts, civil penalty amounts, and suspensions for violations of specified provisions of the Collateral Recovery Act, the Private Investigator Act, the Private Security Services Act, and the Alarm Company Act.

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

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

1 SECTION 1. Article 10 (commencing with Section 6981) is
2 added to Chapter 8.5 of Division 3 of the Business and Professions
3 Code, to read:

4

5

Article 10. Review

6

7 6981. Notwithstanding any other law, the powers and duties
8 of the bureau, as set forth in this chapter, shall be subject to review
9 by the appropriate policy committees of the Legislature. The review
10 shall be performed as if this chapter were scheduled to be repealed
11 as of January 1, 2020.

12 SEC. 2. Section 7508.1 of the Business and Professions Code
13 is amended to read:

14 7508.1. The director may assess administrative fines for the
15 following prohibited acts:

1 (a) Knowingly making any false report to his or her employer
2 or client for whom information was being obtained. The fine shall
3 be one hundred dollars (\$100) for the first violation and five
4 hundred dollars (\$500) for each violation thereafter.

5 (b) Using any identification to indicate registration as a
6 reposessor, other than the bureau-issued registration card, except
7 an employer identification card issued by the repossession agency
8 which has met bureau approval, or a badge, cap insignia, or jacket
9 patch as provided in Section 7508.8. A bureau-issued registration
10 card shall be carried by those individuals specified by Section
11 7506.3, and shall be shown on demand to any bureau employee
12 or law enforcement officer. The fine shall be one hundred dollars
13 (\$100) for each violation.

14 (c) Using ~~an alias~~ *a business name other than the name under*
15 *which the license is issued* in connection with the official activities
16 of the licensee's business. ~~The fine shall be~~ *bureau shall issue a*
17 *notice of warning for a first violation, a fine of one hundred dollars*
18 *(\$100) for the ~~first violation~~ second violation, and a fine of two*
19 *hundred fifty dollars (\$250) for each violation thereafter.*

20 (d) Appearing as an assignee party in any court proceeding
21 involving claim and delivery, replevin, or other possessory court
22 action, action to foreclose a chattel mortgage, mechanic's lien,
23 materialman's lien, or any other lien. This section shall not prohibit
24 a licensee from appearing as a defendant in any of the preceding
25 actions. The fine shall be one hundred dollars (\$100) for each
26 violation.

27 SEC. 3. Section 7508.2 of the Business and Professions Code
28 is amended to read:

29 7508.2. The director may assess administrative fines for any
30 of the following prohibited acts:

31 (a) Recovering collateral or making any money demand in lieu
32 thereof, including, but not limited to, collateral registered under
33 the Vehicle Code, that has been sold under a security agreement
34 before a signed or telegraphic authorization has been received from
35 the legal owner, debtor, lienholder, lessor, or repossession agency
36 acting on behalf of the legal owner, debtor, lienholder, or lessor
37 of the collateral. A telephonic assignment is acceptable if the legal
38 owner, debtor, lienholder, lessor, or repossession agency acting
39 on behalf of the legal owner, debtor, lienholder, or lessor is known
40 to the licensee and a written authorization from the legal owner,

1 debtor, lienholder, lessor, or repossession agency acting on behalf
2 of the legal owner, debtor, lienholder, or lessor is received by the
3 licensee within 10 working days or a request by the licensee for a
4 written authorization from the legal owner, debtor, lienholder,
5 lessor, or repossession agency acting on behalf of the legal owner,
6 debtor, lienholder, or lessor is made in writing within 10 working
7 days. Referrals of assignments from one licensee to another
8 licensee are acceptable. The referral of an assignment shall be
9 made under the same terms and conditions as in the original
10 assignment. The fine shall be one hundred dollars (\$100) for the
11 first violation and five hundred dollars (\$500) for each violation
12 thereafter, per audit.

13 (b) Using collateral or personal effects, which have been
14 recovered, for the personal benefit of a licensee, or officer, partner,
15 manager, registrant, or employee of a licensee. The fine shall be
16 two hundred fifty dollars (\$250) for the first violation and one
17 thousand dollars (\$1,000) for each violation thereafter. This
18 subdivision does not apply to personal effects disposed of pursuant
19 to subdivision (c) of Section 7507.9. Nothing in this subdivision
20 prohibits the using or taking of personal property connected,
21 adjoined, or affixed to the collateral through an unbroken sequence
22 if that use or taking is reasonably necessary to effectuate the
23 recovery in a safe manner or to protect the collateral or personal
24 effects.

25 (c) Selling collateral recovered under this chapter, or making a
26 demand for payment in lieu of repossession. The fine shall be two
27 hundred fifty dollars (\$250) for the first violation and one thousand
28 dollars (\$1,000) for each subsequent violation.

29 (d) Unlawfully entering any private building or secured area
30 without the consent of the owner, or of the person in legal
31 possession thereof, at the time of repossession. The fine shall be
32 five hundred dollars (\$500) for each violation.

33 (e) Committing unlawful assault or battery on another person.
34 The fine shall not exceed two thousand five hundred dollars
35 (\$2,500) for each violation.

36 (f) Falsification ~~or alteration~~ of an inventory. The fine shall be
37 one hundred dollars (\$100) for the first violation and two hundred
38 fifty dollars (\$250) for each violation thereafter.

39 (g) Soliciting from the legal owner the recovery of specific
40 collateral registered under the Vehicle Code or under the motor

1 vehicle licensing laws of other states after the collateral has been
2 seen or located on a public street or on public or private property
3 without divulging the location of the vehicle. The fine shall be one
4 hundred dollars (\$100) for the first violation and two hundred fifty
5 dollars (\$250) for each violation thereafter.

6 SEC. 4. Section 7508.3 of the Business and Professions Code
7 is amended to read:

8 7508.3. A licensee, or any of his or her registrants or
9 employees, or a qualified certificate holder, is prohibited from
10 using any false or misleading representation during the course of
11 recovery of collateral and may be assessed a fine of one hundred
12 dollars (\$100) for the first violation and a fine of two hundred fifty
13 dollars (\$250) for any subsequent violation of any of the following:

14 (a) The false representation or implication that the individual
15 is vouched for, bonded by, or affiliated with the United States or
16 with any state, county, city, or city and county, including the use
17 of any badge, uniform, or facsimile thereof.

18 (b) The false representation or implication that any individual
19 is an attorney or that any communication is from any attorney.

20 (c) The representation or implication by a repossession agency
21 or its registrants or employees that nonpayment of any debt will
22 result in the arrest or imprisonment of any person or the seizure,
23 garnishment, attachment, or sale of any property or wages of any
24 person, unless the action is lawful and the creditor has instructed
25 the repossession agency to inform the debtor that the creditor
26 intends to take the action.

27 (d) The threat to take any action that cannot legally be taken or
28 that is not intended to be taken.

29 (e) The false representation or implication that the debtor
30 committed any crime or other conduct in order to disgrace the
31 debtor.

32 (f) The use or distribution of any written communication which
33 simulates or is falsely represented to be a document authorized,
34 issued, or approved by any court, official, or agency of the United
35 States or any state, or which creates a false impression as to its
36 source, authorization, or approval.

37 (g) The false representation or implication that documents are
38 legal process.

1 (h) The use of any business, company, or organization name
2 other than the true name of the repossession agency's business,
3 company, or organization.

4 (i) The use of any deceptive forms.

5 SEC. 5. Section 7508.4 of the Business and Professions Code
6 is amended to read:

7 7508.4. The director may assess administrative fines for any
8 of the following prohibited acts:

9 (a) Conducting business from any location other than that
10 location to which a license was issued or conducting a business as
11 an individual, partnership, limited liability company, or corporation
12 unless the licensee holds a valid license issued to that exact same
13 individual, partnership, limited liability company, or corporation.
14 The fine shall be one thousand dollars (\$1,000) for each violation.

15 (b) Aiding or abetting an unlicensed reposessor or assigning
16 his or her license. "Assigning his or her license" means that no
17 licensee shall permit a registrant, employee, or agent in his or her
18 own name to advertise, engage clients, furnish reports, or present
19 bills to clients, or in any manner whatsoever to conduct business
20 for which a license is required under this chapter. The fine shall
21 be one thousand dollars (\$1,000) for each violation.

22 (c) Failing to register registrants within 15 days. The fine shall
23 be two hundred fifty dollars (\$250) for each of the first two
24 violations and one thousand dollars (\$1,000) for each violation
25 thereafter.

26 (d) Employing a person whose registration has expired or been
27 revoked, denied, suspended, or canceled, if the bureau has furnished
28 a listing of these persons to the licensee. The fine shall be one
29 hundred fifty dollars (\$150) for the first violation and a fine not
30 to exceed one thousand dollars (\$1,000) for each violation
31 thereafter.

32 (e) Failing to notify the bureau, within 30 days, of any change
33 in officers. A notice of warning shall be issued for the first
34 violation. Thereafter, the fine shall be five hundred dollars (\$500)
35 for each violation.

36 (f) Failing to submit the notices regarding a violent act or
37 threatened violent act within seven days pursuant to Section 7507.6
38 or to submit a copy of a judgment awarded against the licensee
39 for an amount of more than the then prevailing maximum claim
40 that may be brought in small claims court within seven days

1 pursuant to Section 7507.7. The fine shall be five hundred dollars
2 (\$500) for the first violation and one thousand dollars (\$1,000) for
3 each violation thereafter.

4 (g) Failing to include the licensee’s name, address, and license
5 number in any advertisement. The fine shall be fifty dollars (\$50)
6 for each violation.

7 (h) Failing to maintain personal effects for at least 60 days. The
8 fine shall be one hundred dollars (\$100) for the first violation and
9 two hundred fifty dollars (\$250) for each violation thereafter.

10 (i) Failing to provide a personal effects list or a notice of seizure
11 within the time limits set forth in Section 7507.9 or 7507.10. The
12 fine shall be one hundred dollars (\$100) for the first violation and
13 two hundred fifty dollars (\$250) for each violation thereafter.

14 (j) Failing to file the required report pursuant to Section 28 of
15 the Vehicle Code. The fine shall be ~~two hundred fifty dollars (\$250)~~
16 *one hundred dollars (\$100)* for the first violation and two hundred
17 fifty dollars (\$250) for each violation thereafter, per audit.

18 (k) Failing to maintain an accurate record and accounting of
19 secure temporary registration forms. The qualified certificate holder
20 shall be fined two hundred fifty dollars (\$250) for the first
21 violation, five hundred dollars (\$500) for the second violation, and
22 one thousand dollars (\$1,000) plus a one-year suspension of the
23 privilege to issue temporary registrations pursuant to Section
24 7506.9 for the third and subsequent violations.

25 (l) Representing that a licensee has an office and conducts
26 business at a specific address when that is not the case. The fine
27 shall be five thousand dollars (\$5,000) for each violation.

28 (m) Notwithstanding any other law, the money in the Private
29 Security Services Fund that is attributable to administrative fines
30 imposed pursuant to this section shall not be continuously
31 appropriated and shall be available for expenditure only upon
32 appropriation by the Legislature.

33 ~~SEC. 6. Section 7508.5 of the Business and Professions Code~~
34 ~~is amended to read:~~

35 ~~7508.5. The director may assess administrative fines against~~
36 ~~a repossession agency registrant for the following acts, in addition~~
37 ~~to fines imposed pursuant to any other section in this article. The~~
38 ~~fine shall be fifty dollars (\$50) for each of the following violations:~~

39 (a) ~~Knowingly submitting a false report.~~

- 1 ~~(b) Submitting a report to a client without authorization by his~~
- 2 ~~or her employer.~~
- 3 ~~(c) Failing to carry a bureau-issued identification card and failing~~
- 4 ~~to show that card upon demand to a bureau employee or a law~~
- 5 ~~enforcement officer.~~
- 6 ~~(d) Failing to register.~~
- 7 ~~(e) Failing to return his or her registration card to the employer~~
- 8 ~~upon termination.~~
- 9 ~~(f) Failing to report a violent act involving the registrant to the~~
- 10 ~~licensee or the licensee’s qualified certificate holder within 24~~
- 11 ~~hours.~~

12 ~~SEC. 7.~~

13 *SEC. 6.* Section 7508.6 of the Business and Professions Code
14 is amended to read:

15 7508.6. The director may assess administrative fines against
16 any repossession agency licensee, qualified certificate holder, or
17 registrant for failure to notify the bureau within 30 days of any
18 change of residence or business address. The fine shall be fifty
19 dollars (\$50) for each violation.

20 ~~SEC. 8.~~

21 *SEC. 7.* Article 12 (commencing with Section 7511.5) is added
22 to Chapter 11 of Division 3 of the Business and Professions Code,
23 to read:

24
25 *Article 12. Review*

26
27 7511.5. Notwithstanding any other law, the powers and duties
28 of the bureau, as set forth in this chapter, shall be subject to review
29 by the appropriate policy committees of the Legislature. The review
30 shall be performed as if this chapter were scheduled to be repealed
31 as of January 1, 2020.

32 ~~SEC. 9.~~

33 *SEC. 8.* Section 7542 of the Business and Professions Code is
34 amended to read:

35 7542. ~~Every~~ (a) A licensee and qualified manager who in the
36 course of his or her employment or business carries a deadly
37 weapon shall complete a course of training in the exercise of the
38 powers to arrest as specified in Section 7583.7 and a course of
39 training in the carrying and use of firearms as specified in Article
40 4 (commencing with Section 7583) of Chapter 11.5. A licensee or

1 qualified manager shall not carry or use a firearm unless he or she
2 has met the requirements of subdivisions (a) to (d), inclusive, and
3 subdivision (g) of Section 7583.23, and Sections 7583.24 and
4 7583.28 and 7583.29 and has in his or her possession a valid
5 firearms qualification card as provided in Section 7583.30. A
6 licensee or qualified manager who possesses a valid firearms
7 qualification card shall comply with and be subject to the
8 provisions of Sections 7583.25, 7583.26, 7583.27, 7583.31,
9 7583.32, and 7583.37. A licensee or qualified manager who
10 possesses a valid firearms qualification card may carry a firearm
11 capable of being concealed upon the person in a concealed manner
12 if he or she complies with applicable provisions set forth in Chapter
13 4 (commencing with Section 26150) of Division 5 of Title 4 of
14 Part 6 of the Penal Code.

15 *(b) (1) If a firearms qualification card is denied, the denial*
16 *shall be in writing and shall describe the basis for the denial.*
17 *Along with the denial, the applicant shall be informed that he or*
18 *she may request a hearing in accordance with Chapter 5*
19 *(commencing with Section 11500) of Part 1 of Division 3 of Title*
20 *2 of the Government Code.*

21 *(2) The hearing shall be requested of the director within 30*
22 *days following issuance of the denial. However, no hearing shall*
23 *be granted to an applicant who is otherwise prohibited by law*
24 *from carrying a firearm.*

25 ~~SEC. 10.~~

26 *SEC. 9.* Section 7563 of the Business and Professions Code is
27 amended to read:

28 7563. The director, in lieu of suspending or revoking a license
29 issued under this chapter for violations of Sections 7561.1, 7561.3,
30 and 7561.4, may impose a civil penalty not to exceed five hundred
31 dollars (\$500) for the first violation, and one thousand dollars
32 (\$1,000) for each violation thereafter, upon a licensee, if the
33 director determines that this action better serves the purposes of
34 this chapter.

35 ~~SEC. 11.~~

36 *SEC. 10.* Section 7566 of the Business and Professions Code
37 is amended to read:

38 7566. The director may assess administrative fines of fifty
39 dollars (\$50) against any licensee, ~~registrant,~~ *qualified manager,*
40 or firearms qualification cardholder for each violation for failure

1 to notify the bureau within 30 days of any change of residence or
2 business address. The principal place of business may be at a home
3 or at a business address, but it shall be the place at which the
4 licensee maintains a permanent office.

5 ~~SEC. 12.~~

6 *SEC. 11.* Article 8 (commencing with Section 7573.5) is added
7 to Chapter 11.3 of Division 3 of the Business and Professions
8 Code, to read:

9

10 *Article 8. Review*

11

12 7573.5. Notwithstanding any other law, the powers and duties
13 of the bureau, as set forth in this chapter, shall be subject to review
14 by the appropriate policy committees of the Legislature. The review
15 shall be performed as if this chapter were scheduled to be repealed
16 as of January 1, 2020.

17 ~~SEC. 13.~~

18 *SEC. 12.* Article 6 (commencing with Section 7576) is added
19 to Chapter 11.4 of Division 3 of the Business and Professions
20 Code, to read:

21

22 *Article 6. Review*

23

24 7576. Notwithstanding any other law, the powers and duties
25 of the bureau, as set forth in this chapter, shall be subject to review
26 by the appropriate policy committees of the Legislature. The review
27 shall be performed as if this chapter were scheduled to be repealed
28 as of January 1, 2020.

29 ~~SEC. 14.~~

30 *SEC. 13.* Section 7583.4 of the Business and Professions Code
31 is amended to read:

32 7583.4. Any person registered as a security guard or
33 patrolperson, and the employer of the security guard or
34 patrolperson, shall deliver to the director a written report describing
35 fully the circumstances surrounding any incident involving the
36 discharge of any firearm in which he or she was involved while
37 acting within the course and scope of his or her employment, within
38 seven days after the incident. The report shall be made on a form
39 prescribed by the director which shall include, but not be limited
40 to, the following:

1 (a) The name, address, and date of birth of the guard or
2 patrolperson.

3 (b) The registration number of the guard or patrolperson.

4 (c) The firearm permit number and baton permit number of the
5 guard or patrolperson, if applicable.

6 (d) The name of the employer of the person.

7 (e) The description of any injuries and damages that occurred.

8 (f) The identity of all participants in the incident.

9 (g) Whether a police investigation was conducted relating to
10 the incident.

11 (h) The date and location of the incident. Any report may be
12 investigated by the director to determine if any disciplinary action
13 is necessary.

14 A copy of the report delivered to the director pursuant to this
15 section shall also be delivered within seven days of the incident
16 to the local police or sheriff's department which has jurisdiction
17 over the geographic area where the incident occurred.

18 ~~SEC. 15.~~

19 *SEC. 14.* Section 7583.6 of the Business and Professions Code
20 is amended to read:

21 7583.6. (a) A person entering the employ of a licensee to
22 perform the functions of a security guard or a security patrolperson
23 shall complete a course in the exercise of the power to arrest prior
24 to being assigned to a duty location.

25 (b) Except for a registrant who has completed the course of
26 training required by Section 7583.45, a person registered pursuant
27 to this chapter shall complete not less than 32 hours of training in
28 security officer skills within six months from the date the
29 registration card is issued. Sixteen of the 32 hours shall be
30 completed within 30 days from the date the registration card is
31 issued.

32 (c) A course provider shall issue a certificate to a security guard
33 upon satisfactory completion of a required course, conducted in
34 accordance with the department's requirements. A private patrol
35 operator may provide training programs and courses in addition
36 to the training required in this section. A registrant who is unable
37 to provide his or her employing licensee the certificate of
38 satisfactory completion required by this subdivision shall complete
39 16 hours of the training required by subdivision (b) within 30 days

1 of the date of his or her employment and shall complete the 16
2 remaining hours within six months of his or her employment date.

3 (d) The department shall develop and approve by regulation a
4 standard course and curriculum for the skills training required by
5 subdivision (b) to promote and protect the safety of persons and
6 the security of property. For this purpose, the department shall
7 consult with consumers, labor organizations representing private
8 security officers, private patrol operators, educators, and subject
9 matter experts.

10 (e) The course of training required by subdivision (b) may be
11 administered, tested, and certified by any licensee, or by any
12 organization or school approved by the department. The department
13 may approve any person or school to teach the course.

14 (f) (1) On and after January 1, 2005, a licensee shall annually
15 provide each employee registered pursuant to this chapter with
16 eight hours of specifically dedicated review or practice of security
17 officer skills prescribed in either course required in Section 7583.6
18 or 7583.7.

19 (2) A licensee shall maintain at the principal place of business
20 or branch office a record verifying completion of the review or
21 practice training for a period of not less than two years. The records
22 shall be available for inspection by the bureau upon request.

23 (g) This section does not apply to a peace officer as defined in
24 Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2
25 of the Penal Code who has successfully completed a course of
26 study in the exercise of the power to arrest approved by the
27 Commission on Peace Officer Standards and Training. This section
28 does not apply to armored vehicle guards and federal *qualified* law
29 enforcement ~~officers~~; *officers, as defined in Section 926B of Title*
30 *18 of the United States Code, who have successfully completed a*
31 *course of study in the exercise of the power to arrest.*

32 ~~SEC. 16.~~

33 *SEC. 15.* Section 7583.12 of the Business and Professions Code
34 is amended to read:

35 7583.12. (a) An employee of a licensee shall not carry or use
36 a firearm unless the employee has in his or her possession both of
37 the following:

38 (1) A valid guard registration card issued pursuant to this
39 chapter.

1 (2) A valid firearm qualification card issued pursuant to this
2 chapter.

3 (b) An employee of a licensee may carry or use a firearm while
4 working as a security guard or security patrolperson pending receipt
5 of a firearm qualification card if he or she has been approved by
6 the bureau and carries on his or her person a hardcopy printout of
7 the bureau's approval from the bureau's Internet Web site and a
8 valid picture identification.

9 (c) In the event of the loss or destruction of the firearm
10 qualification card, the cardholder may apply to the bureau for a
11 certified replacement of the card, stating the circumstances
12 surrounding the loss, and pay a ten-dollar (\$10) certification fee,
13 whereupon the bureau shall issue a certified replacement of the
14 card.

15 (d) Paragraph (2) of subdivision (a) and subdivision (b) shall
16 not apply to a duly appointed peace officer, as defined in Chapter
17 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal
18 Code, who meets all of the following:

19 (1) He or she has successfully completed a course of study in
20 the use of firearms.

21 (2) He or she is authorized to carry a concealed firearm in the
22 course and scope of his or her employment pursuant to Article 2
23 (commencing with Section 25450) of Chapter 2 of Division 5 of
24 Title 4 of Part 6 of the Penal Code.

25 (3) He or she has proof that he or she has applied to the bureau
26 for a firearm qualification card.

27 (e) (1) This section shall not apply to a duly appointed peace
28 officer, as defined in Chapter 4.5 (commencing with Section 830)
29 of Title 3 of Part 2 of the Penal Code, *or a federal qualified law*
30 *enforcement officer, as defined in Section 926B of Title 18 of the*
31 *United States Code*, who has written approval from his or her
32 primary employer, as defined in paragraph (2) of subdivision (i)
33 of Section 7583.9, to carry a firearm while working as a security
34 guard or security officer or to a federal *qualified law enforcement*
35 ~~officer~~ *officer, as defined in Section 926B of Title 18 of the United*
36 *States Code*.

37 (2) A peace officer exempt under this subdivision shall carry
38 on his or her person a letter of approval from his or her primary
39 employer authorizing him or her to carry a firearm while working
40 as a security guard or security officer.

1 ~~SEC. 17.~~

2 ~~SEC. 16.~~ Section 7583.22 of the Business and Professions Code
 3 is amended to read:

4 7583.22. (a) A licensee, qualified manager of a licensee, or
 5 security guard who, in the course of his or her employment, may
 6 be required to carry a firearm shall, prior to carrying a firearm, do
 7 both of the following:

8 (1) Complete a course of training in the carrying and use of
 9 firearms.

10 (2) Receive a firearms qualification card or be otherwise
 11 qualified to carry a firearm as provided in Section 7583.12.

12 (b) A licensee shall not permit an employee to carry or use a
 13 loaded or unloaded firearm, whether or not it is serviceable or
 14 operative, unless the employee possesses a valid and current
 15 firearms qualification card issued by the bureau or is so otherwise
 16 qualified to carry a firearm as provided in Section 7583.12.

17 (c) A pocket card issued by the bureau pursuant to Section
 18 7582.13 may also serve as a firearms qualification card if so
 19 indicated on the face of the card.

20 (d) Paragraph (1) of subdivision (a) shall not apply to a peace
 21 officer as defined in Chapter 4.5 (commencing with Section 830)
 22 of Title 3 of Part 2 of the Penal Code, who has successfully
 23 completed a course of study in the use of firearms or to a federal
 24 *qualified law enforcement officer*, ~~officer~~, as defined in Section
 25 926B of Title 18 of the United States Code, who has successfully
 26 completed a course of study in the use of firearms.

27 ~~SEC. 18.~~

28 ~~SEC. 17.~~ Section 7583.23 of the Business and Professions Code
 29 is amended to read:

30 7583.23. The bureau shall issue a firearms permit when all of
 31 the following conditions are satisfied:

32 (a) The applicant is a licensee, a qualified manager of a licensee,
 33 or a registered uniformed security guard.

34 (b) A certified firearms training instructor has certified that the
 35 applicant has successfully completed a written examination
 36 prepared by the bureau and training course in the carrying and use
 37 of firearms approved by the bureau.

38 (c) The applicant has filed with the bureau a classifiable
 39 fingerprint card, a completed application for a firearms permit on
 40 a form prescribed by the director, dated and signed by the applicant,

1 certifying under penalty of perjury that the information in the
2 application is true and correct.

3 (d) The bureau has determined, after investigation, that the
4 carrying and use of a firearm by the applicant, in the course of his
5 or her duties, presents no apparent threat to the public safety, or
6 that the carrying and use of a firearm by the applicant is not in
7 violation of the Penal Code.

8 (e) (1) Beginning July 1, 2017, each applicant for a firearms
9 permit or renewal permit shall undergo a psychological evaluation
10 by a licensed psychologist, or his or her designee, the purpose of
11 which is to assess the applicant's psychological capability to
12 exercise appropriate judgment, restraint, and self-control. The
13 licensed psychologist, or his or her designee, shall employ whatever
14 psychological measuring instruments or techniques deemed
15 necessary to render a professional opinion. If the applicant or
16 renewal applicant does not pass the assessment or falls outside the
17 range of acceptable results set by the provider of the assessment,
18 upon request by the applicant, the certified firearms training facility
19 shall forward the response data to a psychologist licensed by the
20 California Board of Psychology for evaluation.

21 (2) The applicant may choose the licensed psychologist and
22 bear the costs of the evaluation. If the applicant seeks employment
23 with, or is employed by, a licensee that has an established and
24 approved process for the Minnesota Multiphasic Personality
25 Inventory (MMPI) or other psychological evaluation, the applicant
26 may choose to submit the response data to a licensed psychologist
27 chosen by the licensee. A licensee employing this process may
28 bear the costs of the evaluation.

29 (3) The psychologist shall forward a written psychological
30 evaluation, on a form prescribed by the bureau, to the bureau within
31 15 days of the evaluation, even if the applicant is found to be
32 psychologically at risk. The bureau may utilize the results of the
33 psychological evaluation for up to six months from the date of the
34 evaluation after which the applicant shall be reexamined. Included
35 in the written psychological evaluation shall be the assessment
36 measures used and the reason for their inclusion. A person who
37 has been found psychologically at risk in the exercise of appropriate
38 judgment, restraint, or self-control shall not reapply for a permit
39 until one year from the date of being found psychologically at risk.

1 (4) The bureau may decide if the applicant shall be administered
2 an additional psychological evaluation instrument after the
3 discharge of a firearm that requires the written report described in
4 Section 7583.4 in order to retain the firearms permit.

5 (5) This subdivision does not apply to the following:

6 (A) A peace officer as defined in Chapter 4.5 (commencing
7 with Section 830) of Title 3 of Part 2 of the Penal Code.

8 (B) A federal law enforcement officer.

9 (C) A security guard applying for a renewal firearms permit
10 where his or her employer verifies that the applicant has been
11 employed for at least five years in an armed position in which
12 period the applicant has not had a firearms incident or violent
13 incident, as described in Section 7583.4. The employer shall submit
14 verification of this information on a form prescribed by the bureau.

15 (6) This subdivision does not prohibit a licensee from imposing
16 additional requirements or taking additional steps to ensure that
17 employees are qualified to work with firearms.

18 (f) The applicant has produced evidence to the firearm training
19 facility that he or she is a citizen of the United States or has
20 permanent legal alien status in the United States. Evidence of
21 citizenship or permanent legal alien status shall be that deemed
22 sufficient by the bureau to ensure compliance with federal laws
23 prohibiting possession of firearms by persons unlawfully in the
24 United States and may include, but not be limited to, the United
25 States Department of Justice, Immigration and Naturalization
26 Service Form I-151 or I-551, Alien Registration Receipt Card,
27 naturalization documents, or birth certificates evidencing lawful
28 residence or status in the United States.

29 (g) The application is accompanied by the application fees
30 prescribed in this chapter.

31 ~~SEC. 19.~~

32 *SEC. 18.* Section 7583.33 of the Business and Professions Code
33 is amended to read:

34 7583.33. (a) Any licensee, qualified manager, or a registered
35 uniformed security guard who wishes to carry a baton in the
36 performance of his or her duties, shall qualify to carry the weapon
37 pursuant to Article 5 (commencing with Section 7585).

38 (b) Subdivision (a) does not apply to a peace officer as defined
39 in Chapter 4.5 (commencing with Section 830) of Title 3 of Part
40 2 of the Penal Code who has successfully completed a course of

1 study in the use of batons or to a federal *qualified* law enforcement
2 ~~officer~~; *officer, as defined in Section 926B of Title 18 of the United*
3 *States Code, who has successfully completed a course of study in*
4 *the use of batons.*

5 ~~SEC. 20.~~

6 *SEC. 19.* Section 7585.4.1 is added to the Business and
7 Professions Code, to read:

8 7585.4.1. (a) (1) Within ~~90~~ 120 days after issuance of a
9 “Firearms Training Facility Certificate,” the bureau ~~or its agents~~
10 ~~or assistants~~ shall inspect the facility for compliance with the
11 applicable requirements of this article and the applicable rules and
12 regulations of the bureau adopted pursuant to this article.

13 (2) The bureau may inspect the establishment for which a
14 certificate application has been made prior to the issuance of the
15 certificate.

16 (b) The bureau shall maintain a program of random and targeted
17 inspections of facilities to ensure compliance with applicable laws
18 relating to the conduct and operation of facilities.

19 (c) If the bureau determines that any facility is not complying
20 with applicable laws relating to the conducting and operation of
21 facilities, notice thereof shall immediately be given to the facility.

22 (d) *In addition to the notice, the bureau may issue a citation or*
23 *take other disciplinary action for violations of applicable laws.*

24 ~~SEC. 21.~~

25 *SEC. 20.* Section 7587.8 of the Business and Professions Code
26 is amended to read:

27 7587.8. The director may assess fines for the following acts
28 pursuant to Article 4 (commencing with Section 7583) only as
29 follows:

30 (a) Violation of subdivisions (a), (b), and (c) of Section 7583.2;
31 five hundred dollars (\$500) per violation.

32 (b) Violation of subdivisions (h) and (i) of Section 7583.2; two
33 hundred fifty dollars (\$250) per violation.

34 (c) Violation of subdivision (d) of Section 7583.2; five hundred
35 dollars (\$500) per violation.

36 (d) Violation of subdivision (g) of Section 7583.2; one thousand
37 dollars (\$1,000) for the first violation and two thousand five
38 hundred dollars (\$2,500) per violation for each violation thereafter.

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

4 ~~SEC. 22.~~

5 *SEC. 21.* Section 7587.9 of the Business and Professions Code
6 is amended to read:

7 7587.9. The director may assess fines for the following acts
8 pursuant to Article 4 (commencing with Section 7583) only as
9 follows:

10 (a) Violation of subdivisions (a) and (b) of Section 7583.3; one
11 hundred fifty dollars (\$150) per violation.

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

15 (c) Violation of Section 7583.4; five hundred dollars (\$500) per
16 violation.

17 ~~SEC. 23.~~

18 *SEC. 22.* Section 7587.10 of the Business and Professions Code
19 is amended to read:

20 7587.10. The director may assess fines for the following acts
21 pursuant to Article 4 (commencing with Section 7583) only as
22 follows:

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

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

29 (c) Violation of subdivision (e) of Section 7583.37; one thousand
30 dollars (\$1,000).

31 (d) Violation of subdivision (b) of Section 7583.37; one
32 thousand dollars (\$1,000) and suspension of a firearm qualification
33 card for *six months* for the first violation and, *for a violation*
34 *thereafter, one thousand dollars (\$1,000) and a suspension of a*
35 *firearm qualification card thereafter. for not more than one year.*

36 ~~SEC. 24.~~

37 *SEC. 23.* Section 7587.12 of the Business and Professions Code
38 is amended to read:

39 7587.12. The director may assess fines for the following acts
40 only as follows:

1 (a) Violations of paragraph (1), (2), (11), or (12) of subdivision
2 (a) of Section 7585.19; two hundred fifty dollars (\$250) for the
3 first violation and five hundred dollars (\$500) for subsequent
4 violations.

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

8 (c) Violations of paragraph (6) of subdivision (a) of Section
9 7585.19; five hundred dollars (\$500) for each hour shortened.

10 (d) Violations of paragraph (4) of subdivision (a) of Section
11 7585.19; five hundred dollars (\$500) for each violation.

12 (e) Violations of paragraph (5) of subdivision (a) of Section
13 7585.19; five hundred dollars (\$500) for every hour the course has
14 been shortened.

15 (f) Violations of paragraph (9) of subdivision (a) of Section
16 7585.19; one thousand dollars (\$1,000) for each violation.

17 ~~SEC. 25.~~

18 *SEC. 24.* Section 7587.14 of the Business and Professions Code
19 is amended to read:

20 7587.14. The director may assess administrative fines of fifty
21 dollars (\$50) against any licensee, registrant, or firearms
22 qualification cardholder for each violation for failure to notify the
23 bureau within 30 days of any change of residence or business
24 address. The principal place of business may be at a home or at a
25 business address, but it shall be the place at which the licensee
26 maintains a permanent office.

27 ~~SEC. 26.~~

28 *SEC. 25.* Article 9 (commencing with Section 7588.8) is added
29 to Chapter 11.5 of Division 3 of the Business and Professions
30 Code, to read:

31

32

Article 9. Review

33

34 7588.8. Notwithstanding any other law, the powers and duties
35 of the bureau, as set forth in this chapter, shall be subject to review
36 by the appropriate policy committees of the Legislature. The review
37 shall be performed as if this chapter were scheduled to be repealed
38 as of January 1, 2020.

1 ~~SEC. 27.~~

2 ~~SEC. 26.~~ Section 7597.1 of the Business and Professions Code
3 is amended to read:

4 7597.1. (a) A licensee, qualified manager, branch office
5 manager, or alarm agent shall not carry, use, or possess a loaded
6 or unloaded firearm in the course and scope of his or her
7 employment, whether or not it is serviceable or operative, unless
8 he or she has in his or her possession a valid and current firearms
9 qualification card issued to him or her by the bureau. The card
10 shall be shown to any peace officer or bureau representative upon
11 demand.

12 (b) Subdivision (a) shall not apply to a duly appointed peace
13 officer, as defined in Chapter 4.5 (commencing with Section 830)
14 of Title 3 of Part 2 of the Penal Code, *or a federal qualified law*
15 *enforcement officer, as defined Section 926B of Title 18 of the*
16 *United States Code*, who meets all of the following:

17 (1) He or she has successfully completed a course of study in
18 the use of firearms.

19 (2) He or she is authorized to carry a concealed firearm in the
20 course and scope of his or her employment pursuant to Article 2
21 (commencing with Section 25450) of Chapter 2 of Division 5 of
22 Title 4 of Part 6 of the Penal Code.

23 (3) He or she has proof that he or she has applied to the bureau
24 for a firearms qualification card.

25 (c) A fine of two hundred fifty dollars (\$250) may be assessed
26 for the first violation of this section and a fine of five hundred
27 dollars (\$500) for each subsequent violation.

28 ~~SEC. 28.~~

29 ~~SEC. 27.~~ Section 7597.2 of the Business and Professions Code
30 is amended to read:

31 7597.2. (a) A licensee, qualified manager, branch office
32 manager, or alarm agent shall not carry any inoperable, replica, or
33 other simulated firearm.

34 (b) A violation of this section shall result in a fine of one
35 hundred dollars (\$100) for the first violation and a fine of two
36 hundred fifty dollars (\$250) for each subsequent violation.

37 ~~SEC. 29.~~

38 ~~SEC. 28.~~ Section 7597.3 of the Business and Professions Code
39 is amended to read:

1 7597.3. (a) A licensee, qualified manager, branch office
2 manager, or alarm agent shall not use a firearm which is in
3 violation of law, or in knowing violation of the standards for
4 carrying and usage of firearms, as taught in the course of training
5 in the carrying and use of firearms, including, but not limited to:

- 6 (1) Illegally using, carrying, or possessing a dangerous weapon.
- 7 (2) Brandishing a weapon.
- 8 (3) Drawing a weapon without proper cause.
- 9 (4) Provoking a shooting incident without cause.
- 10 (5) Carrying or using a firearm while on duty under the influence
11 of alcohol or dangerous drugs.

12 (6) Carrying or using a firearm of a caliber for which a bureau
13 firearms permit has not been issued.

14 (b) A fine of one thousand dollars (\$1,000) and a suspension of
15 the firearms permit *for six months* may be assessed for the first
16 violation of this section and a *fine of one thousand dollars (\$1,000)*
17 *and a suspension of the firearms permit for not more than one year*
18 *for a subsequent violation.*

19 ~~SEC. 30.~~

20 *SEC. 29.* Section 7597.5 of the Business and Professions Code
21 is amended to read:

22 7597.5. (a) A licensee, qualified manager, branch office
23 manager, or alarm agent shall not carry or use tear gas or any other
24 nonlethal chemical agent in the performance of his or her duties,
25 unless he or she has in his or her possession proof of completion
26 of a course in the carrying and use of tear gas or other nonlethal
27 chemical agent.

28 (b) A fine of one hundred dollars (\$100) may be assessed for
29 the first violation of this section and a fine of two hundred fifty
30 dollars (\$250) for each subsequent violation.

31 ~~SEC. 31.~~

32 *SEC. 30.* Section 7597.6 of the Business and Professions Code
33 is amended to read:

34 7597.6. (a) A licensee, qualified manager, branch office
35 manager, or alarm agent shall not carry a pistol, revolver, or other
36 firearm capable of being concealed upon the person in a concealed
37 manner unless one of the following circumstances apply:

- 38 (1) The person has been issued a permit to carry that firearm in
39 a concealed manner by a local law enforcement agency pursuant
40 to Section 26150, 26155, 26170, or 26215 of the Penal Code.

1 (2) The person is an honorably retired peace officer authorized
2 to carry a concealed firearm pursuant to Section 25650 of the Penal
3 Code or Article 2 (commencing with Section 25450) of Chapter
4 2 of Division 5 of Title 4 of Part 6 of the Penal Code.

5 (3) The person is a duly appointed peace officer, as defined in
6 Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2
7 of the Penal Code, who is authorized to carry a concealed firearm
8 in the course and scope of his or her employment pursuant to
9 Article 2 (commencing with Section 25450) of Chapter 2 of
10 Division 5 of Title 4 of Part 6 of the Penal Code.

11 (b) A fine of one thousand dollars (\$1,000) may be assessed for
12 each violation of subdivision (a).

13 ~~SEC. 32.~~

14 *SEC. 31.* Section 7598.51 of the Business and Professions Code
15 is amended to read:

16 7598.51. (a) An alarm agent shall carry on his or her person,
17 while on duty, either a valid and current registration card or a
18 temporary application for registration.

19 (b) A fine of one hundred *fifty* dollars ~~(\$100)~~ (*\$150*) may be
20 assessed for each violation of subdivision (a).

21 ~~SEC. 33.~~

22 *SEC. 32.* Section 7598.53 of the Business and Professions Code
23 is amended to read:

24 7598.53. An alarm agent who responds to an alarm system
25 shall wear a prominently displayed patch or other designation
26 which clearly identifies the name of the licensee. An alarm agent
27 who carries a deadly weapon while responding to an alarm system
28 shall wear a recognizable uniform with a prominently displayed
29 patch or other designation which clearly identifies the name of the
30 licensee. The uniform must be distinguishable from the uniforms
31 worn by local regular law enforcement officers. A violation of this
32 section may result in a fine of two hundred fifty dollars (\$250) for
33 each violation.

34 ~~SEC. 34.~~

35 *SEC. 33.* Section 7599.32 of the Business and Professions
36 Code, as added by Section 21 of Chapter 291 of the Statutes of
37 2012, is amended to read:

38 7599.32. (a) A licensee shall notify the bureau within 30 days
39 of any change of its officers required to be named pursuant to
40 Section 7593.4 and of any addition of a new partner.

1 (b) Applications, on forms prescribed by the director, shall be
2 submitted by all new officers and partners. The director may
3 suspend or revoke a license issued under this chapter if the director
4 determines that the new officer or partner has committed any act
5 which constitutes grounds for the denial of a license pursuant to
6 Section 7591.10.

7 (c) A notice of warning may be issued for the first violation of
8 this section and a fine of five hundred dollars (\$500) for each
9 subsequent violation.

10 ~~SEC. 35.~~

11 *SEC. 34.* Section 7599.33 of the Business and Professions Code
12 is amended to read:

13 7599.33. A licensee shall not conduct business, as defined in
14 Section 7599.20, from any location other than that location for
15 which a license or branch office registration was issued. A violation
16 of this section may result in a fine of five hundred dollars (\$500)
17 for the first violation of this section and a fine of one thousand
18 dollars (\$1,000) for each subsequent violation.

19 ~~SEC. 36.~~

20 *SEC. 35.* Section 7599.34 of the Business and Professions
21 Code, as added by Section 23 of Chapter 291 of the Statutes of
22 2012, is amended to read:

23 7599.34. A licensee shall not conduct a business as an
24 individual, partnership, or corporation unless the licensee holds a
25 valid license issued to that exact same individual, partnership, or
26 corporation. A violation of this section may result in a fine of five
27 hundred dollars (\$500) for each violation.

28 ~~SEC. 37.~~

29 *SEC. 36.* Section 7599.36 of the Business and Professions Code
30 is amended to read:

31 7599.36. (a) Each licensee shall maintain a file or record
32 containing the name, address, commencing date of employment,
33 and position of each employee, and the date of termination. Those
34 files and records shall be retained during the time of employment
35 and for a period of not less than two years thereafter, and, together
36 with usual payroll records, shall be available for inspection by the
37 bureau, and copies thereof and information pertaining thereto or
38 contained therein shall be submitted to the bureau upon written
39 request. A violation concerning the maintenance of the files or

1 records may result in a fine of two hundred fifty dollars (\$250) for
2 each violation.

3 (b) A failure of a licensee to respond to the bureau’s request to
4 forward copies of the files or records and information pertaining
5 thereto or contained therein within 30 days of the bureau’s request
6 may result in a fine of two hundred fifty dollars (\$250) for each
7 violation.

8 ~~SEC. 38.~~

9 *SEC. 37.* Section 7599.37 of the Business and Professions Code
10 is amended to read:

11 7599.37. Each licensee shall maintain an accurate and current
12 record of proof of completion of the course of training in the
13 exercise of the power to arrest as required by Section 7598.1, by
14 each of his or her employees. A violation of this section may result
15 in a fine of five hundred dollars (\$500) for each violation.

16 ~~SEC. 39.~~

17 *SEC. 38.* Section 7599.38 of the Business and Professions Code
18 is amended to read:

19 7599.38. Each licensee shall certify an employee’s completion
20 of the course of training in the exercise of power to arrest, or obtain
21 proof that the training has been administered by a bureau-approved
22 training facility, prior to allowing the employee to respond to an
23 alarm system as required by Section 7598.1. A violation of this
24 section may result in a fine of five hundred dollars (\$500) for each
25 violation.

26 ~~SEC. 40. Section 7599.39 of the Business and Professions~~
27 ~~Code, as added by Section 12 of Chapter 1210 of the Statutes of~~
28 ~~1982, is amended to read:~~

29 ~~7599.39. Within three working days, each licensee shall verify~~
30 ~~proof of current and valid registration issued by the bureau for~~
31 ~~each employee who is subject to registration, or shall require an~~
32 ~~employee to complete and submit an application for registration~~
33 ~~after employing an individual who does not possess a current and~~
34 ~~valid registration from the bureau. “Within three working days”~~
35 ~~means 72 hours from the time an employee is first compensated~~
36 ~~for alarm agent services for a licensee. A violation of this section~~
37 ~~may result in a fine of two hundred fifty dollars (\$250) for each~~
38 ~~violation.~~

1 ~~SEC. 41.~~

2 *SEC. 39.* Section 7599.40 of the Business and Professions Code
3 is amended to read:

4 7599.40. A licensee shall not allow any employee to carry a
5 firearm or other deadly weapon without first ascertaining that the
6 employee is proficient in the use of each weapon to be carried. A
7 current and valid firearm qualification card which indicates the
8 specific caliber of the firearm which may be carried shall be
9 deemed evidence of proficiency. A firearm qualification permit is
10 not valid unless the employee holds a valid, current registration
11 card. With respect to other deadly weapons, evidence of proficiency
12 shall include a certificate from a training facility, certifying that
13 the employee is proficient in the use of that particular deadly
14 weapon. A violation of this section may result in a fine of two
15 thousand five hundred dollars (\$2,500) for each violation.

16 ~~SEC. 42.~~

17 *SEC. 40.* Section 7599.41 of the Business and Professions Code
18 is amended to read:

19 7599.41. A licensee shall maintain an accurate and current
20 record of all firearms or other deadly weapons that are in the
21 possession of the licensee, or of any employee of the licensee,
22 while on duty. The record shall contain the make, model, and serial
23 number, or a description of any other deadly weapon, and the name
24 of the person who has title of ownership. A violation of this section
25 may result in a fine of five hundred dollars (\$500) for each
26 violation.

27 ~~SEC. 43.~~

28 *SEC. 41.* Section 7599.42 of the Business and Professions
29 Code, as added by Section 25 of Chapter 291 of the Statutes of
30 2012, is amended to read:

31 7599.42. Within seven days after any violent incident involving
32 a dangerous weapon, that has been caused by or occurred upon a
33 licensee or any officer, partner, qualified manager, or employee
34 of a licensee, while acting within the course and scope of his or
35 her employment, and that results in bodily injury to any person or
36 death of any person involved in that incident or of any discharge
37 of a weapon, excluding any discharge which occurs on the range,
38 the licensee or his or her manager shall mail or deliver to the chief
39 a detailed report of the incident. The report shall describe fully the
40 circumstances surrounding the incident, any injuries or damages

1 incurred, the identity of all participants, and whether a police
2 investigation was conducted. A violation of this section by a
3 licensee or any officer, partner, managing member, or qualified
4 manager may result in a fine of one thousand dollars (\$1,000) for
5 the first violation and two thousand five hundred dollars (\$2,500)
6 for each subsequent violation. A violation of this section by an
7 employee of a licensee may result in a fine of five hundred dollars
8 (\$500) for each violation.

9 ~~SEC. 44.~~

10 *SEC. 42.* Section 7599.44 of the Business and Professions Code
11 is amended to read:

12 7599.44. Every advertisement by a licensee soliciting or
13 advertising business shall contain his or her name and license
14 number as they appear in the records of the bureau. A violation of
15 this section may result in a fine of five hundred dollars (\$500) for
16 the first violation and one thousand dollars (\$1,000) for each
17 subsequent violation.

18 ~~SEC. 45.~~

19 *SEC. 43.* Section 7599.45 of the Business and Professions Code
20 is amended to read:

21 7599.45. A licensee or employee of a licensee shall not enter
22 any private building or portion thereof, excepting premises open
23 to the public, without the consent of the owner or the person in
24 legal possession thereof. A violation of this section may result in
25 a fine of one hundred dollars (\$100) for each violation.

26 ~~SEC. 46.~~

27 *SEC. 44.* Section 7599.54 of the Business and Professions Code
28 is amended to read:

29 7599.54. Every agreement, including, but not limited to, lease
30 agreements, monitoring agreements, and service agreements,
31 including all labor, services, and materials to be provided for the
32 installation of an alarm system, shall be in writing. All amendments
33 subject to the provisions of this section to an initial agreement
34 shall be in writing. Each initial agreement shall contain, but not
35 be limited to, the following:

36 (a) The name, business address, business telephone number,
37 and license number of the licensed alarm company operator and
38 the registration number of any alarm agent who solicited or
39 negotiated the agreement.

1 (b) The approximate dates when the work will begin and be
2 substantially completed.

3 (c) A description of the work to be done, a description of the
4 materials to be used, and the agreed consideration for the work.

5 (d) A disclosure that alarm company operators are licensed and
6 regulated by the Bureau of Security and Investigative Services,
7 Department of Consumer Affairs, Sacramento, CA, 95814.

8 (e) A description of the alarm system including the major
9 components thereof and services to be provided to the purchaser
10 once the alarm is installed, including response or monitoring
11 services, if any.

12 (f) Other matters agreed to by the parties of the contract. The
13 agreement shall be legible and shall be in a form as to clearly
14 describe any other document which is to be incorporated into the
15 contract, and, before any work is done, the client shall be furnished
16 with a copy of the written agreement signed by the licensee.

17 (g) A statement setting forth that upon completion of the
18 installation of the alarm system, the alarm company shall
19 thoroughly instruct the purchaser in the proper use of the alarm
20 system.

21 (h) In the event a mechanic's lien is to be utilized, a
22 notice-to-owner statement which shall describe, in nontechnical
23 language and in a clear and coherent manner using words with
24 common and everyday meaning, the pertinent provisions of this
25 state's mechanics' lien laws and the rights and responsibilities of
26 an owner of property and a contractor thereunder, including the
27 provisions relating to the filing of a contract concerning a work of
28 improvement with the county recorder and the recording in the
29 office of a contractor's payment bond for private work.

30 (i) For agreements *or renewals* entered into on or after January
31 1, 2016, if the agreement contains an automatic renewal provision,
32 the agreement *or renewal* shall include a separate and clear
33 ~~disclosure~~ *disclosure, prior to any other terms and conditions of*
34 *the agreement*, advising the consumer that the agreement he or
35 she is entering into contains an automatic renewal provision. The
36 disclosure shall specify that if the consumer fails to provide
37 notification of nonrenewal, as required in the agreement, it will
38 result in the automatic renewal of the agreement and shall include
39 the period of time of the renewal term. *The disclosure shall include*
40 *an acknowledgement of the notification to be signed and dated by*

1 *the consumer. An automatic renewal provision shall be void and*
2 *invalid unless the acknowledgment includes an original signature*
3 *of the consumer.*

4 (j) In addition to the above, every initial residential sales and
5 lease agreement, the total cost which over the time period fixed
6 by the agreement exceeds two hundred fifty dollars (\$250),
7 including the cost of all labor, service, or material to be provided
8 by the licensee for the installation, shall include, but not be limited
9 to, the following:

10 (1) A schedule of payments showing the amount of each
11 payment as a sum in dollars and cents. This schedule of payments
12 shall be referenced to the amount of work for services to be
13 performed or to any materials or equipment to be supplied.

14 (2) If the payment schedule contained in the agreement provides
15 for a downpayment to be paid to the licensee by the owner or the
16 tenant before commencement of the work, that downpayment shall
17 not exceed one thousand dollars (\$1,000) or 10 percent of the
18 contract price, excluding finance charges, whichever is the lesser.

19 (3) In no event shall the payment schedule provide that the
20 licensee receive, nor shall the licensee actually receive, payment
21 in excess of 100 percent of the value of the work performed on
22 the project at any time, excluding finance charges, except that the
23 licensee may receive an initial downpayment authorized by
24 paragraph (2). A failure by the licensee, without legal excuse, to
25 substantially commence work within 20 days of the approximate
26 date specified in the contract when work is to commence, shall
27 postpone the next succeeding payment to the licensee for that
28 period of time equivalent to the time between when substantial
29 commencement was to have occurred and when it did occur.

30 (4) A notice-to-owner statement which shall describe, in
31 nontechnical language and in a clear and coherent manner using
32 words with common and everyday meaning, the pertinent
33 provisions of this state's mechanics' lien laws and the rights and
34 responsibilities of an owner of property and a contractor thereunder,
35 including the provisions relating to the filing of a contract
36 concerning a work of improvement with the county recorder and
37 the recording in the office of a contractor's payment bond for
38 private work.

39 (5) A description of what constitutes substantial commencement
40 of work pursuant to the contract.

1 (6) A disclosure that failure by the licensee, without legal
2 excuse, to substantially commence work within 20 days from the
3 approximate date specified in the agreement when the work will
4 begin is a violation of the Alarm Company Act.

5 (7) A disclosure informing the buyer of any potential permit
6 fees which may be required by local jurisdictions concerning the
7 monitoring of an existing alarm system.

8 (8) This section shall not be construed to prohibit the parties to
9 a residential alarm system sale contract from agreeing to a contract
10 or account subject to Chapter 1 (commencing with Section 1801)
11 of Title 2 of Part 4 of Division 3 of the Civil Code.

12 (k) A violation of this section or failure to commence work
13 pursuant to paragraph (6) of subdivision (j) may result in a fine of
14 one hundred dollars (\$100) for the first violation and a fine of five
15 hundred dollars (\$500) for each subsequent violation.

16 ~~SEC. 47.~~

17 *SEC. 45.* Section 7599.59 of the Business and Professions Code
18 is amended to read:

19 7599.59. The director may assess administrative fines of fifty
20 dollars (\$50) against any licensee, qualified certificate holder,
21 firearms qualification card holder, or registrant for each violation
22 for failure to notify the bureau within 30 days of any change of
23 residence or business address.

24 ~~SEC. 48.~~

25 *SEC. 46.* Article 15 (commencing with Section 7599.80) is
26 added to Chapter 11.6 of Division 3 of the Business and Professions
27 Code, to read:

28
29 Article 15. Review
30

31 7599.80. Notwithstanding any other law, the powers and duties
32 of the bureau, as set forth in this chapter, shall be subject to review
33 by the appropriate policy committees of the Legislature. The review
34 shall be performed as if this chapter were scheduled to be repealed
35 as of January 1, 2020.

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