

AMENDED IN ASSEMBLY AUGUST 31, 2015

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**

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**Introduced by Senator Hill**

February 25, 2015

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An act to amend Sections 7507.6, 7508.1, 7508.2, 7508.3, 7508.4, 7508.6, 7542, 7563, 7566, 7583.4, 7583.6, 7583.12, 7583.22, 7583.23, 7583.24, 7583.25, 7583.29, 7583.32, 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, 7599.40, 7599.41, 7599.42, 7599.44, 7599.45, 7599.54, and 7599.59 of, to add ~~Section~~ *Sections 7583.47 and 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 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, *provides for the licensure and regulation of repossession agencies by the Bureau of Security and Investigative Services* and prohibits the use of an alias in connection with the official activities of a licensed repossession agency's business. *The act requires a notice to be mailed to the Chief of the Bureau of Security and Investigative Services within 7 days after the occurrence of a violent act or a threatened violent act involving a licensee or its employees while acting in the scope of his or her employment, as specified.*

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. *This bill would remove the notice requirement, described above, where there was a threatened act of violence, as specified.*

(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.

(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.

(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.

(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, as defined.

(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~~ 120 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.

(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~~ *specified applicants* 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,~~ *complete a psychological assessment to determine whether or not the applicant, as the point in time of the assessment, is capable of exercising appropriate judgment, restraint, and self-control for the purposes of carrying and using a firearm during the course of his or her duties, as provided. This bill would prohibit the bureau from issuing or renewing a firearms permit to an applicant who has been deemed by a licensed psychologist as not being capable of exercising appropriate judgment, restraint, and self-control for the purposes of carrying and using a firearm during the course of his or her duties, at the time of evaluation. This bill would prohibit the applicant from reapplying for a permit for one year from the date of denial and would not provide for a review or hearing of a denial based on the assessment.* The bill would authorize the bureau to decide whether an applicant be administered an additional evaluation after the discharge of a firearm, as described.

(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 7507.6 of the Business and Professions Code*  
13 *is amended to read:*

14 7507.6. (a) Within seven days after a violent act has occurred  
15 involving a licensee, or any officer, partner, qualified certificate  
16 holder, registrant or employee of a licensee, while acting within  
17 the course and scope of his or her employment or contract, that  
18 results in a police report or bodily harm or bodily injury, the  
19 licensee or the licensee's qualified certificate holder or registrant,  
20 shall mail or deliver to the chief a notice concerning the incident  
21 upon a form provided by the bureau.

22 (b) Within seven days after the occurrence of a violent act ~~or a~~  
23 ~~threatened violent act~~ involving a licensee, or any officer, partner,  
24 qualified certificate holder, registrant, or employee of a licensee  
25 while acting within the course and scope of his or her employment  
26 or contract, that results in a police report or bodily harm or bodily  
27 injury, the licensee or the licensee's qualified certificate holder or  
28 registrant shall send by certified mail, return receipt requested, a  
29 notice containing information about the incident to the person or  
30 individual who made the assignment. If the assignor is not the  
31 legal owner, the assignor shall notify the legal owner of the  
32 contents of the notice.

33 (c) A licensee, qualified certificate holder, or registrant may  
34 send the notice set forth in subdivision (b) for a violent act or  
35 threatened violent act even if a police report is not made or no  
36 bodily harm or bodily injury occurs. Any notice of a threatened  
37 violent act provided pursuant to subdivision (b) may only be used  
38 to notify a subsequent assignee and not for any collateral purpose.

1 Nothing in this subdivision ~~or subdivision (b)~~ shall be construed  
2 to provide immunity against any claim for defamation.

3 ~~SEC. 2.~~

4 *SEC. 3.* Section 7508.1 of the Business and Professions Code  
5 is amended to read:

6 7508.1. The director may assess administrative fines for the  
7 following prohibited acts:

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

12 (b) Using any identification to indicate registration as a  
13 reposessor, other than the bureau-issued registration card, except  
14 an employer identification card issued by the repossession agency  
15 which has met bureau approval, or a badge, cap insignia, or jacket  
16 patch as provided in Section 7508.8. A bureau-issued registration  
17 card shall be carried by those individuals specified by Section  
18 7506.3, and shall be shown on demand to any bureau employee  
19 or law enforcement officer. The fine shall be one hundred dollars  
20 (\$100) for each violation.

21 (c) Using a business name other than the name under which the  
22 license is issued in connection with the official activities of the  
23 licensee's business. The bureau shall issue a notice of warning for  
24 a first violation, a fine of one hundred dollars (\$100) for the second  
25 violation, and a fine ~~of~~ *not to exceed* two hundred fifty dollars  
26 (\$250) for each violation thereafter.

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

34 ~~SEC. 3.~~

35 *SEC. 4.* Section 7508.2 of the Business and Professions Code  
36 is amended to read:

37 7508.2. The director may assess administrative fines for any  
38 of the following prohibited acts:

39 (a) Recovering collateral or making any money demand in lieu  
40 thereof, including, but not limited to, collateral registered under

1 the Vehicle Code, that has been sold under a security agreement  
2 before a signed or telegraphic authorization has been received from  
3 the legal owner, debtor, lienholder, lessor, or repossession agency  
4 acting on behalf of the legal owner, debtor, lienholder, or lessor  
5 of the collateral. A telephonic assignment is acceptable if the legal  
6 owner, debtor, lienholder, lessor, or repossession agency acting  
7 on behalf of the legal owner, debtor, lienholder, or lessor is known  
8 to the licensee and a written authorization from the legal owner,  
9 debtor, lienholder, lessor, or repossession agency acting on behalf  
10 of the legal owner, debtor, lienholder, or lessor is received by the  
11 licensee within 10 working days or a request by the licensee for a  
12 written authorization from the legal owner, debtor, lienholder,  
13 lessor, or repossession agency acting on behalf of the legal owner,  
14 debtor, lienholder, or lessor is made in writing within 10 working  
15 days. Referrals of assignments from one licensee to another  
16 licensee are acceptable. The referral of an assignment shall be  
17 made under the same terms and conditions as in the original  
18 assignment. The fine shall be one hundred dollars (\$100) for the  
19 first violation and five hundred dollars (\$500) for each violation  
20 thereafter, per audit.

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

33 (c) Selling collateral recovered under this chapter, or making a  
34 demand for payment in lieu of repossession. The fine shall be two  
35 hundred fifty dollars (\$250) for the first violation and *a fine not*  
36 *to exceed* one thousand dollars (\$1,000) for each subsequent  
37 violation.

38 (d) Unlawfully entering any private building or secured area  
39 without the consent of the owner, or of the person in legal

1 possession thereof, at the time of repossession. The fine shall be  
2 five hundred dollars (\$500) for each violation.

3 (e) ~~Committing unlawful assault or battery on another person.~~  
4 *person during the course of a repossession.* The fine shall not  
5 exceed two thousand five hundred dollars (\$2,500) for each  
6 violation.

7 (f) Falsification of an inventory. The fine shall be one hundred  
8 dollars (\$100) for the first violation and two hundred fifty dollars  
9 (\$250) for each violation thereafter.

10 (g) Soliciting from the legal owner the recovery of specific  
11 collateral registered under the Vehicle Code or under the motor  
12 vehicle licensing laws of other states after the collateral has been  
13 seen or located on a public street or on public or private property  
14 without divulging the location of the vehicle. The fine shall be one  
15 hundred dollars (\$100) for the first violation and two hundred fifty  
16 dollars (\$250) for each violation thereafter.

17 ~~SEC. 4.~~

18 *SEC. 5.* Section 7508.3 of the Business and Professions Code  
19 is amended to read:

20 7508.3. A licensee, or any of his or her registrants or  
21 employees, or a qualified certificate holder, is prohibited from  
22 using any false or misleading representation during the course of  
23 recovery of collateral and ~~may be assessed a fine of one hundred~~  
24 ~~dollars (\$100) for the first violation and a fine of collateral.~~ *The*  
25 *bureau shall issue a notice of warning for a first violation, a fine*  
26 *of one hundred dollars (\$100) for the second violation, and a fine*  
27 *not to exceed two hundred fifty dollars (\$250) for any subsequent*  
28 *violation of any of the following:*

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

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

35 (c) The representation or implication by a repossession agency  
36 or its registrants or employees that nonpayment of any debt will  
37 result in the arrest or imprisonment of any person or the seizure,  
38 garnishment, attachment, or sale of any property or wages of any  
39 person, unless the action is lawful and the creditor has instructed

1 the repossession agency to inform the debtor that the creditor  
2 intends to take the action.

3 (d) The threat to take any action that cannot legally be ~~taken or~~  
4 ~~that is not intended to be taken.~~

5 (e) The false representation or implication that the debtor  
6 committed any crime or other conduct in order to disgrace the  
7 debtor.

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

13 (g) The false representation or implication that documents are  
14 legal process.

15 (h) The use of any business, company, or organization name  
16 other than the true name of the repossession agency's business,  
17 company, or organization.

18 (i) The use of any deceptive forms.

19 ~~SEC. 5.~~

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

22 7508.4. The director may assess administrative fines for any  
23 of the following prohibited acts:

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

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

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

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

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

11 (f) Failing to submit the notices regarding a violent act or  
12 threatened violent act within seven days pursuant to Section 7507.6  
13 or to submit a copy of a judgment awarded against the licensee  
14 for an amount of more than the then prevailing maximum claim  
15 that may be brought in small claims court within seven days  
16 pursuant to Section 7507.7. The fine shall ~~be~~ *not exceed* five  
17 hundred dollars (\$500) for the first violation and *not exceed* one  
18 thousand dollars (\$1,000) for each violation thereafter.

19 (g) Failing to include the licensee's name, address, and license  
20 number in any advertisement. The fine shall be fifty dollars (\$50)  
21 for each violation.

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

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

29 (j) Failing to file the required report pursuant to Section 28 of  
30 the Vehicle Code. The fine shall be one hundred dollars (\$100)  
31 for the first violation and two hundred fifty dollars (\$250) for each  
32 violation thereafter, per audit.

33 (k) Failing to maintain an accurate record and accounting of  
34 secure temporary registration forms. The qualified certificate holder  
35 shall be fined two hundred fifty dollars (\$250) for the first  
36 violation, *fined an amount not to exceed* five hundred dollars  
37 (\$500) for the second violation, and *fined an amount not to exceed*  
38 one thousand dollars (\$1,000) plus a one-year suspension of the  
39 privilege to issue temporary registrations pursuant to Section  
40 7506.9 for the third and subsequent violations.

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

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

9 ~~SEC. 6.~~

10 *SEC. 7.* Section 7508.6 of the Business and Professions Code  
11 is amended to read:

12 7508.6. The director may assess administrative fines against  
13 any repossession agency licensee, qualified certificate holder, or  
14 registrant for failure to notify the bureau within 30 days of any  
15 change of residence or business address. The fine shall be fifty  
16 dollars (\$50) for each violation.

17 ~~SEC. 7.~~

18 *SEC. 8.* Article 12 (commencing with Section 7511.5) is added  
19 to Chapter 11 of Division 3 of the Business and Professions Code,  
20 to read:

21  
22 Article 12. Review

23  
24 7511.5. 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. 8.~~

30 *SEC. 9.* Section 7542 of the Business and Professions Code is  
31 amended to read:

32 7542. (a) A licensee and qualified manager who in the course  
33 of his or her employment or business carries a deadly weapon shall  
34 complete a course of training in the exercise of the powers to arrest  
35 as specified in Section 7583.7 and a course of training in the  
36 carrying and use of firearms as specified in Article 4 (commencing  
37 with Section 7583) of Chapter 11.5. A licensee or qualified  
38 manager shall not carry or use a firearm unless he or she has met  
39 the requirements of subdivisions (a) to ~~(d)~~, (e), inclusive, and  
40 subdivision (g) of Section 7583.23, ~~and Sections 7583.24~~

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

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

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

24 ~~SEC. 9.~~

25 SEC. 10. Section 7563 of the Business and Professions Code  
 26 is amended to read:

27 7563. The director, in lieu of suspending or revoking a license  
 28 issued under this chapter for violations of Sections 7561.1, 7561.3,  
 29 and 7561.4, may impose a civil penalty not to exceed five hundred  
 30 dollars (\$500) for the first violation, and one thousand dollars  
 31 (\$1,000) for each violation thereafter, upon a licensee, if the  
 32 director determines that this action better serves the purposes of  
 33 this chapter.

34 ~~SEC. 10.~~

35 SEC. 11. Section 7566 of the Business and Professions Code  
 36 is amended to read:

37 7566. The director may assess administrative fines of fifty  
 38 dollars (\$50) against any licensee, qualified manager, or firearms  
 39 qualification cardholder for each violation for failure to notify the  
 40 bureau within 30 days of any change of residence or business

1 address. The principal place of business may be at a home or at a  
2 business address, but it shall be the place at which the licensee  
3 maintains a permanent office.

4 ~~SEC. 11.~~

5 *SEC. 12.* Article 8 (commencing with Section 7573.5) is added  
6 to Chapter 11.3 of Division 3 of the Business and Professions  
7 Code, to read:

8

9

Article 8. Review

10

11 7573.5. Notwithstanding any other law, the powers and duties  
12 of the bureau, as set forth in this chapter, shall be subject to review  
13 by the appropriate policy committees of the Legislature. The review  
14 shall be performed as if this chapter were scheduled to be repealed  
15 as of January 1, 2020.

16 ~~SEC. 12.~~

17 *SEC. 13.* Article 6 (commencing with Section 7576) is added  
18 to Chapter 11.4 of Division 3 of the Business and Professions  
19 Code, to read:

20

21

Article 6. Review

22

23 7576. Notwithstanding any other law, the powers and duties  
24 of the bureau, as set forth in this chapter, shall be subject to review  
25 by the appropriate policy committees of the Legislature. The review  
26 shall be performed as if this chapter were scheduled to be repealed  
27 as of January 1, 2020.

28 ~~SEC. 13.~~

29 *SEC. 14.* Section 7583.4 of the Business and Professions Code  
30 is amended to read:

31 7583.4. Any person registered as a security guard or  
32 patrolperson, and the employer of the security guard or  
33 patrolperson, shall deliver to the director a written report describing  
34 fully the circumstances surrounding any incident involving the  
35 discharge of any firearm in which he or she was involved while  
36 acting within the course and scope of his or her employment, within  
37 seven days after the incident. The report shall be made on a form  
38 prescribed by the director which shall include, but not be limited  
39 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. 14.~~

19 *SEC. 15.* 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, as defined in Section 926B of Title 18 of the  
30 United States Code, who have successfully completed a course of  
31 study in the exercise of the power to arrest.

32 ~~SEC. 15.~~

33 *SEC. 16.* 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, as defined in Section 926B of Title 18 of the United States  
36 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. 16.~~

2 *SEC. 17.* 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, as defined in Section 926B of  
25 Title 18 of the United States Code, who has successfully completed  
26 a course of study in the use of firearms.

27 ~~SEC. 17.~~

28 *SEC. 18.* 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)~~

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

30 ~~(f) Beginning July 1, 2017, the applicant has been found capable~~  
31 ~~of exercising appropriate judgment, restraint, and self-control for~~  
32 ~~the purposes of carrying and using a firearm during the course of~~  
33 ~~his or her duties, pursuant to Section 7583.47.~~

34 ~~(g) The application is accompanied by the application fees~~  
35 ~~prescribed in this chapter.~~

36 *SEC. 19. Section 7583.24 of the Business and Professions Code*  
37 *is amended to read:*

38 7583.24. (a) The bureau shall not issue a firearm permit if the  
39 applicant is prohibited from possessing, receiving, owning, or  
40 purchasing a firearm pursuant to state or federal law.

1 (b) Before issuing an initial firearm permit the bureau shall  
2 provide the Department of Justice with the name, address, social  
3 security number, and fingerprints of the applicant.

4 (c) The Department of Justice shall inform the bureau, within  
5 60 days from receipt of the information specified in subdivision  
6 (b), of the applicant's eligibility to possess, receive, purchase, or  
7 own a firearm pursuant to state and federal law.

8 (d) An applicant who has been denied a firearm permit based  
9 upon subdivision (a) may reapply for the permit after the  
10 prohibition expires. The bureau shall treat this application as an  
11 initial application and shall follow the required screening process  
12 as specified in this section.

13 (e) *Beginning July 1, 2017, the bureau shall not issue a firearm*  
14 *permit if the applicant has not been found capable of exercising*  
15 *appropriate judgment, restraint, and self-control for the purposes*  
16 *of carrying and using a firearm during the course of his or her*  
17 *duties, pursuant to Section 7583.47.*

18 *SEC. 20. Section 7583.25 of the Business and Professions Code*  
19 *is amended to read:*

20 7583.25. (a) The bureau shall not renew a firearm permit if  
21 the applicant is prohibited from possessing, receiving, purchasing,  
22 or owning a firearm pursuant to state or federal law.

23 (b) Before renewing a firearm permit, the bureau shall provide  
24 the Department of Justice with the information necessary to identify  
25 the renewal applicant. No firearm permit shall be renewed if the  
26 expiration date of the permit is between October 1, 1993, and  
27 October 1, 1994, unless the application for renewal is also  
28 accompanied by a classifiable fingerprint card and the fingerprint  
29 processing fees for that card.

30 (c) The Department of Justice shall inform the bureau, within  
31 30 days of receipt of the information specified in subdivision (b),  
32 of the renewal applicant's eligibility to possess, receive, purchase,  
33 or own a firearm pursuant to state and federal law.

34 (d) An applicant who is denied a firearm permit renewal based  
35 upon subdivision (a) may reapply for the permit after the  
36 prohibition expires. The bureau shall treat this as an initial  
37 application and shall follow the screening process specified in  
38 Section 7583.24.

39 (e) *Beginning July 1, 2017, the bureau shall not renew a firearm*  
40 *permit if the applicant has not been found capable of exercising*

1 *appropriate judgment, restraint, and self-control for the purposes*  
2 *of carrying and using a firearm during the course of his or her*  
3 *duties, pursuant to Section 7583.47.*

4 *SEC. 21. Section 7583.29 of the Business and Professions Code*  
5 *is amended to read:*

6 7583.29. If a firearms permit is denied, the denial of the permit  
7 shall be in writing and shall describe the basis for the denial. The  
8 denial shall inform the applicant that if he or she desires a review  
9 by a disciplinary review committee to contest the denial, the review  
10 shall be requested of the director within 30 days following notice  
11 of the issuance of the denial. However, no review or hearing shall  
12 be granted to an individual who is otherwise prohibited by law  
13 from carrying a ~~firearm~~ *firearm or, beginning July 1, 2017, the*  
14 *applicant has not been found capable of exercising appropriate*  
15 *judgment, restraint, and self-control for the purposes of carrying*  
16 *and using a firearm during the course of his or her duties, pursuant*  
17 *to Section 7583.47.*

18 *SEC. 22. Section 7583.32 of the Business and Professions Code*  
19 *is amended to read:*

20 7583.32. (a) A firearms qualification card expires two years  
21 from the date of issuance, if not renewed. A person who wishes  
22 to renew a firearms qualification card shall file an application for  
23 renewal at least 60 days prior to the card's expiration. A person  
24 whose card has expired shall not carry a firearm until he or she  
25 has been issued a renewal card by the bureau.

26 (b) The bureau shall not renew a firearms qualification card  
27 unless all of the following conditions are satisfied:

28 (1) The cardholder has filed with the bureau a completed  
29 application for renewal of a firearms qualification card, on a form  
30 prescribed by the director, dated and signed by the applicant under  
31 penalty of perjury certifying that the information on the application  
32 is true and correct.

33 (2) The applicant has requalified on the range and has  
34 successfully passed a written examination based on course content  
35 as specified in the firearms training manual approved by the  
36 department and taught at a training facility approved by the bureau.

37 (3) The application is accompanied by a firearms requalification  
38 fee as prescribed in this chapter.

39 (4) The applicant has produced evidence to the firearm training  
40 facility, either upon receiving his or her original qualification card

1 or upon filing for renewal of that card, that he or she is a citizen  
2 of the United States or has permanent legal alien status in the  
3 United States. Evidence of citizenship or permanent legal alien  
4 status is that deemed sufficient by the bureau to ensure compliance  
5 with federal laws prohibiting possession of firearms by persons  
6 unlawfully in the United States and may include, but not be limited  
7 to, Department of Justice, Immigration and Naturalization Service  
8 Form I-151 or I-551, Alien Registration Receipt Card,  
9 naturalization documents, or birth certificates evidencing lawful  
10 residence or status in the United States.

11 *(5) Beginning July 1, 2017, the applicant has been found capable*  
12 *of exercising appropriate judgment, restraint, and self-control for*  
13 *the purposes of carrying and using a firearm during the course of*  
14 *his or her duties, pursuant to Section 7583.47.*

15 (c) An expired firearms qualification card may not be renewed.  
16 A person with an expired registration is required to apply for a  
17 new firearms qualification in the manner required of persons not  
18 previously registered. A person whose card has expired shall not  
19 carry a firearm until he or she has been issued a new firearms  
20 qualification card by the bureau.

21 (d) Paragraph (2) of subdivision (b) shall not apply to a duly  
22 appointed peace officer, as defined in Chapter 4.5 (commencing  
23 with Section 830) of Title 3 of Part 2 of the Penal Code who is  
24 authorized to carry a firearm in the course of his or her duties and  
25 who has successfully completed requalification training.

26 ~~SEC. 18:~~

27 *SEC. 23.* Section 7583.33 of the Business and Professions Code  
28 is amended to read:

29 7583.33. (a) Any licensee, qualified manager, or a registered  
30 uniformed security guard who wishes to carry a baton in the  
31 performance of his or her duties, shall qualify to carry the weapon  
32 pursuant to Article 5 (commencing with Section 7585).

33 (b) Subdivision (a) does not apply to a peace officer as defined  
34 in Chapter 4.5 (commencing with Section 830) of Title 3 of Part  
35 2 of the Penal Code who has successfully completed a course of  
36 study in the use of batons or to a federal qualified law enforcement  
37 officer, as defined in Section 926B of Title 18 of the United States  
38 Code, who has successfully completed a course of study in the use  
39 of batons.

1 SEC. 24. Section 7583.47 is added to the Business and  
2 Professions Code, to read:

3 7583.47. (a) Beginning July 1, 2017, as a condition for the  
4 issuance or renewal of a firearms permit, the applicant shall  
5 complete a psychological assessment to determine whether or not  
6 the applicant, at the point in time of the assessment, is capable of  
7 exercising appropriate judgment, restraint, and self-control for  
8 the purposes of carrying and using a firearm during the course of  
9 his or her duties. If an applicant fails to meet the standards of the  
10 initial assessment, the bureau shall provide a secondary assessment  
11 option pursuant to this section.

12 (b) The bureau shall implement a process by which the applicant  
13 for a firearms permit shall be assessed for appropriate judgment,  
14 restraint, and self-control for the purposes of carrying and using  
15 a firearm during the course of his or her duties.

16 (c) The bureau shall consult with a California licensed  
17 psychologist, or other persons with subject matter expertise to  
18 assist with the development of a contract for a vendor to administer  
19 the psychological assessments. The licensed psychologist or other  
20 persons shall assist the bureau with the following, but is not limited  
21 to the following list:

22 (1) The establishment of the minimum standards required for  
23 the assessment that will be administered by a third-party vendor.

24 (2) The review of the contract bids received by the bureau from  
25 third-party vendors seeking to administer the psychological  
26 assessments to ensure the assessment specified in the contract bid  
27 meets the minimum standards for the assessment established by  
28 the bureau and its consultants.

29 (d) The bureau shall contract with a third-party vendor to  
30 administer a psychological assessment program to determine the  
31 applicant's capability, as the point in time of the assessment, of  
32 exercising appropriate judgment, restraint, and self-control for  
33 the purposes of carrying and using a firearm during the course of  
34 his or her duties.

35 (e) (1) Upon receipt of the initial or renewal firearms permit  
36 application, the bureau shall notify the applicant that he or she is  
37 to contact the bureau's psychological assessment vendor to  
38 complete the psychological assessment. The applicant shall bear  
39 the cost of the psychological assessment. If the applicant seeks  
40 employment with, or is employed by, a licensee, the licensee may

1 bear the costs of the evaluation. The psychological assessment  
2 vendor shall, within 30 days of completing the assessment, directly  
3 notify the bureau of the applicant's capability in exercising  
4 appropriate judgment, restraint and self-control for the purposes  
5 of carrying and using a firearm during the course of his or her  
6 duties, based on the psychological assessment results in the manner  
7 prescribed by the bureau.

8 (2) If the results of the applicant's psychological assessment  
9 indicate that he or she is capable of exercising appropriate  
10 judgment, restraint, and self-control for the purposes of carrying  
11 and using a firearm during the course of his or her duties, the  
12 bureau may consider the results as demonstration of the applicant's  
13 psychological capability of exercising appropriate judgment,  
14 restraint, and self-control for the purposes of the issuance of a  
15 firearms permit.

16 (f) If the psychological assessment is inconclusive or determines  
17 that the applicant may not be capable of exercising appropriate  
18 judgment, restraint, and self-control for the purposes of carrying  
19 and using a firearm during the course of his or her duties, and the  
20 applicant desires to continue the firearms permit application  
21 process, the applicant shall complete a psychological evaluation.  
22 The psychological evaluation shall be administered by a California  
23 licensed psychologist of the applicant's choosing, excluding any  
24 psychologist with an existing personal or professional relationship  
25 with the applicant. The California licensed psychologist, or his or  
26 her designee, shall conduct an inperson interview and may employ  
27 whatever psychological measuring instruments or techniques  
28 deemed necessary to render a professional opinion. The California  
29 licensed psychologist shall, within 15 days of completing the  
30 psychological evaluation, provide the bureau with his or her  
31 written conclusion as to whether or not the applicant is capable  
32 of exercising appropriate judgment, restraint, and self-control for  
33 the purposes of carrying and using a firearm during the course of  
34 his or her duties at the point in time of the evaluation. Included in  
35 the written psychological evaluation shall be the assessment  
36 measures used and the reason for their inclusion. The licensed  
37 psychologist's written conclusion shall be provided to the bureau  
38 on a form prescribed by the bureau. The applicant shall bear the  
39 costs of the psychological evaluation. If the applicant seeks  
40 employment with, or is employed by, a licensee that has an

1 *established and approved process for the Minnesota Multiphasic*  
2 *Personality Inventory (MMPI), the Institute for Personality and*  
3 *Ability Testing, Inc., (IPAT), or other psychological evaluation,*  
4 *the applicant may choose to submit the response data to a licensed*  
5 *psychologist chosen by the licensee. A licensee employing this*  
6 *process may bear the costs of the evaluation.*

7 *(1) If the conclusions of the applicant's evaluation by a licensed*  
8 *psychologist indicate that he or she is capable of exercising*  
9 *appropriate judgment, restraint, and self-control for the purposes*  
10 *of carrying and using a firearm during the course of his or her*  
11 *duties, at the point in time of the evaluation, the bureau may*  
12 *consider the conclusions as a demonstration of the applicant's*  
13 *psychological capability in exercising appropriate judgment,*  
14 *restraint, and self-control for the purposes of the issuance of a*  
15 *firearms permit.*

16 *(2) The bureau shall not issue or renew a firearms permit to an*  
17 *applicant who has been deemed by a licensed psychologist as not*  
18 *being capable of exercising appropriate judgment, restraint, and*  
19 *self-control for the purposes of carrying and using a firearm during*  
20 *the course of his or her duties, at the time of evaluation.*

21 *(g) The bureau may utilize the conclusions of the psychological*  
22 *assessment or evaluation, for the purpose of making a*  
23 *determination on the individual's initial or renewal application*  
24 *for a firearms permit, for up to six months from the date the*  
25 *assessment or evaluation was completed.*

26 *(h) An applicant who is denied a firearms permit by the bureau*  
27 *due to being found incapable, at the time of assessment or*  
28 *evaluation, of exercising appropriate judgment, restraint, and*  
29 *self-control for the purposes of carrying and using a firearm during*  
30 *the course of his or her duties, shall not reapply for a firearms*  
31 *permit for one year from the date of being denied a firearms permit*  
32 *by the bureau.*

33 *(i) The bureau may decide if the applicant shall be administered*  
34 *an additional psychological evaluation instrument after the*  
35 *discharge of a firearm that requires the written report, described*  
36 *in Section 7583.4, in order to retain the firearms permit.*

37 *(j) This section does not apply to the following persons:*

38 *(1) A peace officer as defined in Chapter 4.5 (commencing with*  
39 *Section 830) of Title 3 of Part 2 of the Penal Code.*

40 *(2) A federal law enforcement officer.*

1 (3) A security guard applying for a renewal firearms permit  
 2 where his or her employer verifies that the applicant has been  
 3 employed for at least three years in an armed position in which  
 4 period the applicant has not had a firearms incident or violent  
 5 incident, as described in Section 7583.4. The employer shall submit  
 6 verification of this information on a form prescribed by the bureau.

7 (k) This section does not prohibit a licensee from imposing  
 8 additional requirements or taking additional steps to ensure that  
 9 employees are qualified to work with firearms.

10 (l) The bureau may promulgate regulations to implement this  
 11 section.

12 ~~SEC. 19.~~

13 SEC. 25. Section 7585.4.1 is added to the Business and  
 14 Professions Code, to read:

15 7585.4.1. (a) (1) Within 120 days after issuance of a  
 16 “Firearms Training Facility Certificate,” the bureau shall inspect  
 17 the facility for compliance with the applicable requirements of this  
 18 article and the applicable rules and regulations of the bureau  
 19 adopted pursuant to this article.

20 (2) The bureau may inspect the establishment for which a  
 21 certificate application has been made prior to the issuance of the  
 22 certificate.

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

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

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

31 ~~SEC. 20.~~

32 SEC. 26. Section 7587.8 of the Business and Professions Code  
 33 is amended to read:

34 7587.8. The director may assess fines for the following acts  
 35 pursuant to Article 4 (commencing with Section 7583) only as  
 36 follows:

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

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

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

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

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

9 ~~SEC. 21.~~

10 *SEC. 27.* Section 7587.9 of the Business and Professions Code  
11 is amended to read:

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

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

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

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

22 ~~SEC. 22.~~

23 *SEC. 28.* Section 7587.10 of the Business and Professions Code  
24 is amended to read:

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

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

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

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

36 (d) Violation of subdivision (b) of Section 7583.37; one  
37 thousand dollars (\$1,000) and suspension of a firearm qualification  
38 card for six months for the first violation and, for a violation  
39 thereafter, one thousand dollars (\$1,000) and a suspension of a  
40 firearm qualification card for not more than one year.

1 ~~SEC. 23.~~

2 *SEC. 29.* Section 7587.12 of the Business and Professions Code  
3 is amended to read:

4 7587.12. The director may assess fines for the following acts  
5 only as follows:

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

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

13 (c) Violations of paragraph (6) of subdivision (a) of Section  
14 7585.19; five hundred dollars (\$500) for each hour shortened.

15 (d) Violations of paragraph (4) of subdivision (a) of Section  
16 7585.19; five hundred dollars (\$500) for each violation.

17 (e) Violations of paragraph (5) of subdivision (a) of Section  
18 7585.19; five hundred dollars (\$500) for every hour the course has  
19 been shortened.

20 (f) Violations of paragraph (9) of subdivision (a) of Section  
21 7585.19; one thousand dollars (\$1,000) for each violation.

22 ~~SEC. 24.~~

23 *SEC. 30.* Section 7587.14 of the Business and Professions Code  
24 is amended to read:

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

32 ~~SEC. 25.~~

33 *SEC. 31.* Article 9 (commencing with Section 7588.8) is added  
34 to Chapter 11.5 of Division 3 of the Business and Professions  
35 Code, to read:

36  
37 Article 9. Review

38  
39 7588.8. Notwithstanding any other law, the powers and duties  
40 of the bureau, as set forth in this chapter, shall be subject to review

1 by the appropriate policy committees of the Legislature. The review  
2 shall be performed as if this chapter were scheduled to be repealed  
3 as of January 1, 2020.

4 ~~SEC. 26.~~

5 *SEC. 32.* Section 7597.1 of the Business and Professions Code  
6 is amended to read:

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

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

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

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

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

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

31 ~~SEC. 27.~~

32 *SEC. 33.* Section 7597.2 of the Business and Professions Code  
33 is amended to read:

34 7597.2. (a) A licensee, qualified manager, branch office  
35 manager, or alarm agent shall not carry any inoperable, replica, or  
36 other simulated firearm.

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

1 ~~SEC. 28.~~

2 *SEC. 34.* Section 7597.3 of the Business and Professions Code  
3 is amended to read:

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

- 9 (1) Illegally using, carrying, or possessing a dangerous weapon.
- 10 (2) Brandishing a weapon.
- 11 (3) Drawing a weapon without proper cause.
- 12 (4) Provoking a shooting incident without cause.
- 13 (5) Carrying or using a firearm while on duty under the influence  
14 of alcohol or dangerous drugs.
- 15 (6) Carrying or using a firearm of a caliber for which a bureau  
16 firearms permit has not been issued.

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

22 ~~SEC. 29.~~

23 *SEC. 35.* Section 7597.5 of the Business and Professions Code  
24 is amended to read:

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

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

34 ~~SEC. 30.~~

35 *SEC. 36.* Section 7597.6 of the Business and Professions Code  
36 is amended to read:

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

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

4 (2) The person is an honorably retired peace officer authorized  
5 to carry a concealed firearm pursuant to Section 25650 of the Penal  
6 Code or Article 2 (commencing with Section 25450) of Chapter  
7 2 of Division 5 of Title 4 of Part 6 of the Penal Code.

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

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

16 ~~SEC. 31.~~

17 *SEC. 37.* Section 7598.51 of the Business and Professions Code  
18 is amended to read:

19 7598.51. (a) An alarm agent shall carry on his or her person,  
20 while on duty, either a valid and current registration card or a  
21 temporary application for registration.

22 (b) A fine of one hundred fifty dollars (\$150) may be assessed  
23 for each violation of subdivision (a).

24 ~~SEC. 32.~~

25 *SEC. 38.* Section 7598.53 of the Business and Professions Code  
26 is amended to read:

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

37 ~~SEC. 33.~~

38 *SEC. 39.* Section 7599.32 of the Business and Professions  
39 Code, as added by Section 21 of Chapter 291 of the Statutes of  
40 2012, is amended to read:

1 7599.32. (a) A licensee shall notify the bureau within 30 days  
2 of any change of its officers required to be named pursuant to  
3 Section 7593.4 and of any addition of a new partner.

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

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

13 ~~SEC. 34.~~

14 *SEC. 40.* Section 7599.33 of the Business and Professions Code  
15 is amended to read:

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

22 ~~SEC. 35.~~

23 *SEC. 41.* Section 7599.34 of the Business and Professions  
24 Code, as added by Section 23 of Chapter 291 of the Statutes of  
25 2012, is amended to read:

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

31 ~~SEC. 36.~~

32 *SEC. 42.* Section 7599.36 of the Business and Professions Code  
33 is amended to read:

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

1 contained therein shall be submitted to the bureau upon written  
2 request. A violation concerning the maintenance of the files or  
3 records may result in a fine of two hundred fifty dollars (\$250) for  
4 each violation.

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

10 ~~SEC. 37.~~

11 *SEC. 43.* Section 7599.37 of the Business and Professions Code  
12 is amended to read:

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

18 ~~SEC. 38.~~

19 *SEC. 44.* Section 7599.38 of the Business and Professions Code  
20 is amended to read:

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

28 ~~SEC. 39.~~

29 *SEC. 45.* Section 7599.40 of the Business and Professions Code  
30 is amended to read:

31 7599.40. A licensee shall not allow any employee to carry a  
32 firearm or other deadly weapon without first ascertaining that the  
33 employee is proficient in the use of each weapon to be carried. A  
34 current and valid firearm qualification card which indicates the  
35 specific caliber of the firearm which may be carried shall be  
36 deemed evidence of proficiency. A firearm qualification permit is  
37 not valid unless the employee holds a valid, current registration  
38 card. With respect to other deadly weapons, evidence of proficiency  
39 shall include a certificate from a training facility, certifying that  
40 the employee is proficient in the use of that particular deadly

1 weapon. A violation of this section may result in a fine of two  
2 thousand five hundred dollars (\$2,500) for each violation.

3 ~~SEC. 40.~~

4 *SEC. 46.* Section 7599.41 of the Business and Professions Code  
5 is amended to read:

6 7599.41. A licensee shall maintain an accurate and current  
7 record of all firearms or other deadly weapons that are in the  
8 possession of the licensee, or of any employee of the licensee,  
9 while on duty. The record shall contain the make, model, and serial  
10 number, or a description of any other deadly weapon, and the name  
11 of the person who has title of ownership. A violation of this section  
12 may result in a fine of five hundred dollars (\$500) for each  
13 violation.

14 ~~SEC. 41.~~

15 *SEC. 47.* Section 7599.42 of the Business and Professions  
16 Code, as added by Section 25 of Chapter 291 of the Statutes of  
17 2012, is amended to read:

18 7599.42. Within seven days after any violent incident involving  
19 a dangerous weapon, that has been caused by or occurred upon a  
20 licensee or any officer, partner, qualified manager, or employee  
21 of a licensee, while acting within the course and scope of his or  
22 her employment, and that results in bodily injury to any person or  
23 death of any person involved in that incident or of any discharge  
24 of a weapon, excluding any discharge which occurs on the range,  
25 the licensee or his or her manager shall mail or deliver to the chief  
26 a detailed report of the incident. The report shall describe fully the  
27 circumstances surrounding the incident, any injuries or damages  
28 incurred, the identity of all participants, and whether a police  
29 investigation was conducted. A violation of this section by a  
30 licensee or any officer, partner, managing member, or qualified  
31 manager may result in a fine of one thousand dollars (\$1,000) for  
32 the first violation and two thousand five hundred dollars (\$2,500)  
33 for each subsequent violation. A violation of this section by an  
34 employee of a licensee may result in a fine of five hundred dollars  
35 (\$500) for each violation.

36 ~~SEC. 42.~~

37 *SEC. 48.* Section 7599.44 of the Business and Professions Code  
38 is amended to read:

39 7599.44. Every advertisement by a licensee soliciting or  
40 advertising business shall contain his or her name and license

1 number as they appear in the records of the bureau. A violation of  
2 this section may result in a fine of five hundred dollars (\$500) for  
3 the first violation and one thousand dollars (\$1,000) for each  
4 subsequent violation.

5 ~~SEC. 43.~~

6 *SEC. 49.* Section 7599.45 of the Business and Professions Code  
7 is amended to read:

8 7599.45. A licensee or employee of a licensee shall not enter  
9 any private building or portion thereof, excepting premises open  
10 to the public, without the consent of the owner or the person in  
11 legal possession thereof. A violation of this section may result in  
12 a fine of one hundred dollars (\$100) for each violation.

13 ~~SEC. 44.~~

14 *SEC. 50.* Section 7599.54 of the Business and Professions Code  
15 is amended to read:

16 7599.54. Every agreement, including, but not limited to, lease  
17 agreements, monitoring agreements, and service agreements,  
18 including all labor, services, and materials to be provided for the  
19 installation of an alarm system, shall be in writing. All amendments  
20 subject to the provisions of this section to an initial agreement  
21 shall be in writing. Each initial agreement shall contain, but not  
22 be limited to, the following:

23 (a) The name, business address, business telephone number,  
24 and license number of the licensed alarm company operator and  
25 the registration number of any alarm agent who solicited or  
26 negotiated the agreement.

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

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

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

34 (e) A description of the alarm system including the major  
35 components thereof and services to be provided to the purchaser  
36 once the alarm is installed, including response or monitoring  
37 services, if any.

38 (f) Other matters agreed to by the parties of the contract. The  
39 agreement shall be legible and shall be in a form as to clearly  
40 describe any other document which is to be incorporated into the

1 contract, and, before any work is done, the client shall be furnished  
2 with a copy of the written agreement signed by the licensee.

3 (g) A statement setting forth that upon completion of the  
4 installation of the alarm system, the alarm company shall  
5 thoroughly instruct the purchaser in the proper use of the alarm  
6 system.

7 (h) In the event a mechanic’s lien is to be utilized, a  
8 notice-to-owner statement which shall describe, in nontechnical  
9 language and in a clear and coherent manner using words with  
10 common and everyday meaning, the pertinent provisions of this  
11 state’s mechanics’ lien laws and the rights and responsibilities of  
12 an owner of property and a contractor thereunder, including the  
13 provisions relating to the filing of a contract concerning a work of  
14 improvement with the county recorder and the recording in the  
15 office of a contractor’s payment bond for private work.

16 (i) For agreements or renewals entered into on or after January  
17 1, 2016, if the agreement contains an automatic renewal provision,  
18 the agreement or renewal shall include a separate and clear  
19 disclosure, prior to any other terms and conditions of the  
20 agreement, advising the consumer that the agreement he or she is  
21 entering into contains an automatic renewal provision. The  
22 disclosure shall specify that if the consumer fails to provide  
23 notification of nonrenewal, as required in the agreement, it will  
24 result in the automatic renewal of the agreement and shall include  
25 the period of time of the renewal term. The disclosure shall include  
26 an acknowledgement of the notification to be signed and dated by  
27 the consumer. An automatic renewal provision shall be void and  
28 invalid unless the acknowledgment includes an original signature  
29 of the consumer.

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

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

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

6 (3) In no event shall the payment schedule provide that the  
7 licensee receive, nor shall the licensee actually receive, payment  
8 in excess of 100 percent of the value of the work performed on  
9 the project at any time, excluding finance charges, except that the  
10 licensee may receive an initial downpayment authorized by  
11 paragraph (2). A failure by the licensee, without legal excuse, to  
12 substantially commence work within 20 days of the approximate  
13 date specified in the contract when work is to commence, shall  
14 postpone the next succeeding payment to the licensee for that  
15 period of time equivalent to the time between when substantial  
16 commencement was to have occurred and when it did occur.

17 (4) A notice-to-owner statement which shall describe, in  
18 nontechnical language and in a clear and coherent manner using  
19 words with common and everyday meaning, the pertinent  
20 provisions of this state's mechanics' lien laws and the rights and  
21 responsibilities of an owner of property and a contractor thereunder,  
22 including the provisions relating to the filing of a contract  
23 concerning a work of improvement with the county recorder and  
24 the recording in the office of a contractor's payment bond for  
25 private work.

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

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

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

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

39 (k) A violation of this section or failure to commence work  
40 pursuant to paragraph (6) of subdivision (j) may result in a fine of

1 one hundred dollars (\$100) for the first violation and a fine of five  
2 hundred dollars (\$500) for each subsequent violation.

3 ~~SEC. 45.~~

4 *SEC. 51.* Section 7599.59 of the Business and Professions Code  
5 is amended to read:

6 7599.59. The director may assess administrative fines of fifty  
7 dollars (\$50) against any licensee, qualified certificate holder,  
8 firearms qualification card holder, or registrant for each violation  
9 for failure to notify the bureau within 30 days of any change of  
10 residence or business address.

11 ~~SEC. 46.~~

12 *SEC. 52.* Article 15 (commencing with Section 7599.80) is  
13 added to Chapter 11.6 of Division 3 of the Business and Professions  
14 Code, to read:

15

16

Article 15. Review

17

18 7599.80. Notwithstanding any other law, the powers and duties  
19 of the bureau, as set forth in this chapter, shall be subject to review  
20 by the appropriate policy committees of the Legislature. The review  
21 shall be performed as if this chapter were scheduled to be repealed  
22 as of January 1, 2020.