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AMENDED IN ASSEMBLY SEPTEMBER 3, 2015
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AMENDED IN ASSEMBLY JULY 14, 2015
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AMENDED IN SENATE JUNE 1, 2015
AMENDED IN SENATE APRIL 22, 2015

SENATE BILL

No. 468

Introduced by Senator Senators Allen and Hill
(Principal coauthors: Assembly Members Hadley and Mullin)

February 25, 2015

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 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: *add and repeal Sections 32132.9 and 32132.95 of the*~~

Health and Safety Code, relating to health care districts, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 468, as amended, ~~Hill Allen. Bureau of Security and Investigative Services; licensees. Health care districts: design-build.~~

Existing law authorizes certain health care districts to use the design-build process when contracting for the construction of a building or improvements directly related to construction of a hospital or health facility building in those districts, as specified. Existing law sets forth the procurement process for design-build projects, as specified, and requires specified information submitted by design-build entities to be certified under penalty of perjury.

This bill would authorize, until January 1, 2022, the Beach Cities Health District and the Peninsula Health Care District to use the design-build process for the construction of facilities or other buildings in those districts, as specified. Because the bill would expand the application of the procurement process to additional design-build entities, the bill would expand the crime of perjury, thereby imposing a state-mandated local program.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Beach Cities Health District and the Peninsula Health Care District.

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

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

This bill would declare that it is to take effect immediately as an urgency statute.

~~(1) Existing law provides for the regulation, by the Bureau of Security and Investigative Services, of locksmiths and the employees of locksmiths, repossessioners, 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 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 specified applicants for a firearms permit or the renewal of a firearms permit to 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, and would include conforming changes to specified fine and penalty provisions in the Alarm Company Act that were made by Chapter 140 of the Statutes of 2015 and that go into effect January 1, 2016.~~

~~Vote: majority^{2/3}. Appropriation: no. Fiscal committee: yes. State-mandated local program: ~~no~~yes.~~

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

- 1 SECTION 1. Section 32132.9 is added to the Health and Safety
- 2 Code, to read:
- 3 32132.9. (a) Notwithstanding Section 32132 or any other law,
- 4 upon approval by the board of directors of the Beach Cities Health
- 5 District, the design-build process described in Chapter 4
- 6 (commencing with Section 22160) of Part 3 of Division 2 of the

1 *Public Contract Code may be used to assign contracts for the*
2 *construction of facilities or other buildings in that district.*

3 *(b) For purposes of this section, all references in Chapter 4*
4 *(commencing with Section 22160) of Part 3 of Division 2 of the*
5 *Public Contract Code to “local agency” shall mean the Beach*
6 *Cities Health District and its board of directors.*

7 *(c) To the extent that any project utilizing the design-build*
8 *process authorized by subdivision (a) is otherwise required to*
9 *comply with the standards and requirements of the Alfred E. Alquist*
10 *Hospital Facilities Seismic Safety Act of 1983 (Chapter 1*
11 *(commencing with Section 129675) of Part 7 of Division 107), this*
12 *section shall not be construed as an exemption from that act.*

13 *(d) This section shall remain in effect only until January 1, 2022,*
14 *and as of that date is repealed, unless a later enacted statute, that*
15 *is enacted before January 1, 2022, deletes or extends that date.*

16 *SEC. 2. Section 32132.95 is added to the Health and Safety*
17 *Code, to read:*

18 *32132.95. (a) Notwithstanding Section 32132 or any other*
19 *law, upon approval by the board of directors of the Peninsula*
20 *Health Care District, the design-build process described in Chapter*
21 *4 (commencing with Section 22160) of Part 3 of Division 2 of the*
22 *Public Contract Code may be used to assign contracts for the*
23 *construction of facilities or other buildings in that district.*

24 *(b) For purposes of this section, all references in Chapter 4*
25 *(commencing with Section 22160) of Part 3 of Division 2 of the*
26 *Public Contract Code to “local agency” shall mean the Peninsula*
27 *Health Care District and its board of directors.*

28 *(c) To the extent that any project utilizing the design-build*
29 *process authorized by subdivision (a) is otherwise required to*
30 *comply with the standards and requirements of the Alfred E. Alquist*
31 *Hospital Facilities Seismic Safety Act of 1983 (Chapter 1*
32 *(commencing with Section 129675) of Part 7 of Division 107), this*
33 *section shall not be construed as an exemption from that act.*

34 *(d) This section shall remain in effect only until January 1, 2022,*
35 *and as of that date is repealed, unless a later enacted statute, that*
36 *is enacted before January 1, 2022, deletes or extends that date.*

37 *SEC. 3. The Legislature finds and declares that a special law*
38 *is necessary and that a general law cannot be made applicable*
39 *within the meaning of Section 16 of Article IV of the California*
40 *Constitution because of the unique circumstances relating to the*

1 *Beach Cities Health District and the Peninsula Health Care*
2 *District.*

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

12 *SEC. 5. This act is an urgency statute necessary for the*
13 *immediate preservation of the public peace, health, or safety within*
14 *the meaning of Article IV of the Constitution and shall go into*
15 *immediate effect. The facts constituting the necessity are:*

16 *In order for the Beach Cities Health District and the Peninsula*
17 *Health Care District to facilitate construction of facilities or other*
18 *buildings in those districts at the earliest possible time pursuant*
19 *to design-build authority, and to ensure the expedient provision*
20 *of health care services in those districts at the earliest possible*
21 *time, it is necessary that this act take immediate effect.*

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

25
26 ~~Article 10. Review~~
27

28 ~~6981. Notwithstanding any other law, the powers and duties~~
29 ~~of the bureau, as set forth in this chapter, shall be subject to review~~
30 ~~by the appropriate policy committees of the Legislature. The review~~
31 ~~shall be performed as if this chapter were scheduled to be repealed~~
32 ~~as of January 1, 2020.~~

33 ~~SEC. 2. Section 7507.6 of the Business and Professions Code~~
34 ~~is amended to read:~~

35 ~~7507.6. (a) Within seven days after a violent act has occurred~~
36 ~~involving a licensee, or any officer, partner, qualified certificate~~
37 ~~holder, registrant or employee of a licensee, while acting within~~
38 ~~the course and scope of his or her employment or contract, that~~
39 ~~results in a police report or bodily harm or bodily injury, the~~
40 ~~licensee or the licensee's qualified certificate holder or registrant,~~

1 shall mail or deliver to the chief a notice concerning the incident
2 upon a form provided by the bureau.

3 ~~(b) Within seven days after the occurrence of a violent act
4 involving a licensee, or any officer, partner, qualified certificate
5 holder, registrant, or employee of a licensee while acting within
6 the course and scope of his or her employment or contract, that
7 results in a police report or bodily harm or bodily injury, the
8 licensee or the licensee's qualified certificate holder or registrant
9 shall send by certified mail, return receipt requested, a notice
10 containing information about the incident to the person or
11 individual who made the assignment. If the assignor is not the
12 legal owner, the assignor shall notify the legal owner of the
13 contents of the notice.~~

14 ~~(c) A licensee, qualified certificate holder, or registrant may
15 send the notice set forth in subdivision (b) for a violent act or
16 threatened violent act even if a police report is not made or no
17 bodily harm or bodily injury occurs. Any notice of a threatened
18 violent act provided pursuant to subdivision (b) may only be used
19 to notify a subsequent assignee and not for any collateral purpose.
20 Nothing in this subdivision shall be construed to provide immunity
21 against any claim for defamation.~~

22 ~~SEC. 3. Section 7508.1 of the Business and Professions Code
23 is amended to read:~~

24 ~~7508.1. The director may assess administrative fines for the
25 following prohibited acts:~~

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

30 ~~(b) Using any identification to indicate registration as a
31 reposessor, other than the bureau-issued registration card, except
32 an employer identification card issued by the repossession agency
33 which has met bureau approval, or a badge, cap insignia, or jacket
34 patch as provided in Section 7508.8. A bureau-issued registration
35 card shall be carried by those individuals specified by Section
36 7506.3, and shall be shown on demand to any bureau employee
37 or law enforcement officer. The fine shall be one hundred dollars
38 (\$100) for each violation.~~

39 ~~(c) Using a business name other than the name under which the
40 license is issued in connection with the official activities of the~~

1 licensee's business. The bureau shall issue a notice of warning for
2 a first violation, a fine of one hundred dollars (\$100) for the second
3 violation, and a fine not to exceed two hundred fifty dollars (\$250)
4 for each violation thereafter.

5 (d) ~~Appearing as an assignee party in any court proceeding~~
6 ~~involving claim and delivery, replevin, or other possessory court~~
7 ~~action, action to foreclose a chattel mortgage, mechanic's lien,~~
8 ~~materialman's lien, or any other lien. This section shall not prohibit~~
9 ~~a licensee from appearing as a defendant in any of the preceding~~
10 ~~actions. The fine shall be one hundred dollars (\$100) for each~~
11 ~~violation.~~

12 ~~SEC. 4. Section 7508.2 of the Business and Professions Code~~
13 ~~is amended to read:~~

14 ~~7508.2. The director may assess administrative fines for any~~
15 ~~of the following prohibited acts:~~

16 (a) ~~Recovering collateral or making any money demand in lieu~~
17 ~~thereof, including, but not limited to, collateral registered under~~
18 ~~the Vehicle Code, that has been sold under a security agreement~~
19 ~~before a signed or telegraphic authorization has been received from~~
20 ~~the legal owner, debtor, lienholder, lessor, or repossession agency~~
21 ~~acting on behalf of the legal owner, debtor, lienholder, or lessor~~
22 ~~of the collateral. A telephonic assignment is acceptable if the legal~~
23 ~~owner, debtor, lienholder, lessor, or repossession agency acting~~
24 ~~on behalf of the legal owner, debtor, lienholder, or lessor is known~~
25 ~~to the licensee and a written authorization from the legal owner,~~
26 ~~debtor, lienholder, lessor, or repossession agency acting on behalf~~
27 ~~of the legal owner, debtor, lienholder, or lessor is received by the~~
28 ~~licensee within 10 working days or a request by the licensee for a~~
29 ~~written authorization from the legal owner, debtor, lienholder,~~
30 ~~lessor, or repossession agency acting on behalf of the legal owner,~~
31 ~~debtor, lienholder, or lessor is made in writing within 10 working~~
32 ~~days. Referrals of assignments from one licensee to another~~
33 ~~licensee are acceptable. The referral of an assignment shall be~~
34 ~~made under the same terms and conditions as in the original~~
35 ~~assignment. The fine shall be one hundred dollars (\$100) for the~~
36 ~~first violation and five hundred dollars (\$500) for each violation~~
37 ~~thereafter, per audit.~~

38 (b) ~~Using collateral or personal effects, which have been~~
39 ~~recovered, for the personal benefit of a licensee, or officer, partner,~~
40 ~~manager, registrant, or employee of a licensee. The fine shall be~~

1 two hundred fifty dollars (\$250) for the first violation and a fine
2 not to exceed one thousand dollars (\$1,000) for each violation
3 thereafter. This subdivision does not apply to personal effects
4 disposed of pursuant to subdivision (e) of Section 7507.9. Nothing
5 in this subdivision prohibits the using or taking of personal property
6 connected, adjoined, or affixed to the collateral through an
7 unbroken sequence if that use or taking is reasonably necessary to
8 effectuate the recovery in a safe manner or to protect the collateral
9 or personal effects.

10 (e) Selling collateral recovered under this chapter, or making a
11 demand for payment in lieu of repossession. The fine shall be two
12 hundred fifty dollars (\$250) for the first violation and a fine not
13 to exceed one thousand dollars (\$1,000) for each subsequent
14 violation.

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

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

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

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

32 SEC. 5.— Section 7508.3 of the Business and Professions Code
33 is amended to read:

34 7508.3.— A licensee, or any of his or her registrants or
35 employees, or a qualified certificate holder, is prohibited from
36 using any false or misleading representation during the course of
37 recovery of collateral. The bureau shall issue a notice of warning
38 for a first violation, a fine of one hundred dollars (\$100) for the
39 second violation, and a fine not to exceed two hundred fifty dollars
40 (\$250) for any subsequent violation of any of the following:

1 ~~(a) The false representation or implication that the individual~~
2 ~~is vouched for, bonded by, or affiliated with the United States or~~
3 ~~with any state, county, city, or city and county, including the use~~
4 ~~of any badge, uniform, or facsimile thereof.~~

5 ~~(b) The false representation or implication that any individual~~
6 ~~is an attorney or that any communication is from any attorney.~~

7 ~~(c) The representation or implication by a repossession agency~~
8 ~~or its registrants or employees that nonpayment of any debt will~~
9 ~~result in the arrest or imprisonment of any person or the seizure,~~
10 ~~garnishment, attachment, or sale of any property or wages of any~~
11 ~~person, unless the action is lawful and the creditor has instructed~~
12 ~~the repossession agency to inform the debtor that the creditor~~
13 ~~intends to take the action.~~

14 ~~(d) The threat to take any action that cannot legally be taken.~~

15 ~~(e) The false representation or implication that the debtor~~
16 ~~committed any crime or other conduct in order to disgrace the~~
17 ~~debtor.~~

18 ~~(f) The use or distribution of any written communication which~~
19 ~~simulates or is falsely represented to be a document authorized,~~
20 ~~issued, or approved by any court, official, or agency of the United~~
21 ~~States or any state, or which creates a false impression as to its~~
22 ~~source, authorization, or approval.~~

23 ~~(g) The false representation or implication that documents are~~
24 ~~legal process.~~

25 ~~(h) The use of any business, company, or organization name~~
26 ~~other than the true name of the repossession agency's business,~~
27 ~~company, or organization.~~

28 ~~(i) The use of any deceptive forms.~~

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

31 ~~7508.4. The director may assess administrative fines for any~~
32 ~~of the following prohibited acts:~~

33 ~~(a) Conducting business from any location other than that~~
34 ~~location to which a license was issued or conducting a business as~~
35 ~~an individual, partnership, limited liability company, or corporation~~
36 ~~unless the licensee holds a valid license issued to that exact same~~
37 ~~individual, partnership, limited liability company, or corporation.~~
38 ~~The fine shall be one thousand dollars (\$1,000) for each violation.~~

39 ~~(b) Aiding or abetting an unlicensed reposessor or assigning~~
40 ~~his or her license. "Assigning his or her license" means that no~~

1 licensee shall permit a registrant, employee, or agent in his or her
2 own name to advertise, engage clients, furnish reports, or present
3 bills to clients, or in any manner whatsoever to conduct business
4 for which a license is required under this chapter. The fine shall
5 be one thousand dollars (\$1,000) for each violation.

6 ~~(e) Failing to register registrants within 15 days. The fine shall
7 be two hundred fifty dollars (\$250) for each of the first two
8 violations and one thousand dollars (\$1,000) for each violation
9 thereafter.~~

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

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

20 ~~(f) Failing to submit the notices regarding a violent act or
21 threatened violent act within seven days pursuant to Section 7507.6
22 or to submit a copy of a judgment awarded against the licensee
23 for an amount of more than the then prevailing maximum claim
24 that may be brought in small claims court within seven days
25 pursuant to Section 7507.7. The fine shall not exceed five hundred
26 dollars (\$500) for the first violation and not exceed one thousand
27 dollars (\$1,000) for each violation thereafter.~~

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

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

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

38 ~~(j) Failing to file the required report pursuant to Section 28 of
39 the Vehicle Code. The fine shall be one hundred dollars (\$100)~~

1 for the first violation and two hundred fifty dollars (\$250) for each
2 violation thereafter, per audit.

3 ~~(k) Failing to maintain an accurate record and accounting of~~
4 ~~secure temporary registration forms. The qualified certificate holder~~
5 ~~shall be fined two hundred fifty dollars (\$250) for the first~~
6 ~~violation, fined an amount not to exceed five hundred dollars~~
7 ~~(\$500) for the second violation, and fined an amount not to exceed~~
8 ~~one thousand dollars (\$1,000) plus a one-year suspension of the~~
9 ~~privilege to issue temporary registrations pursuant to Section~~
10 ~~7506.9 for the third and subsequent violations.~~

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

14 ~~(m) Notwithstanding any other law, the money in the Private~~
15 ~~Security Services Fund that is attributable to administrative fines~~
16 ~~imposed pursuant to this section shall not be continuously~~
17 ~~appropriated and shall be available for expenditure only upon~~
18 ~~appropriation by the Legislature.~~

19 ~~SEC. 7.— Section 7508.6 of the Business and Professions Code~~
20 ~~is amended to read:~~

21 ~~7508.6.— The director may assess administrative fines against~~
22 ~~any repossession agency licensee, qualified certificate holder, or~~
23 ~~registrant for failure to notify the bureau within 30 days of any~~
24 ~~change of residence or business address. The fine shall be fifty~~
25 ~~dollars (\$50) for each violation.~~

26 ~~SEC. 8.— Article 12 (commencing with Section 7511.5) is added~~
27 ~~to Chapter 11 of Division 3 of the Business and Professions Code,~~
28 ~~to read:~~

29
30 ~~Article 12.— Review~~

31
32 ~~7511.5.— Notwithstanding any other law, the powers and duties~~
33 ~~of the bureau, as set forth in this chapter, shall be subject to review~~
34 ~~by the appropriate policy committees of the Legislature. The review~~
35 ~~shall be performed as if this chapter were scheduled to be repealed~~
36 ~~as of January 1, 2020.~~

37 ~~SEC. 9.— Section 7542 of the Business and Professions Code is~~
38 ~~amended to read:~~

39 ~~7542.— (a) A licensee and qualified manager who in the course~~
40 ~~of his or her employment or business carries a deadly weapon shall~~

1 complete a course of training in the exercise of the powers to arrest
 2 as specified in Section 7583.7 and a course of training in the
 3 carrying and use of firearms as specified in Article 4 (commencing
 4 with Section 7583) of Chapter 11.5. A licensee or qualified
 5 manager shall not carry or use a firearm unless he or she has met
 6 the requirements of subdivisions (a) to (e), inclusive, and
 7 subdivision (g) of Section 7583.23, subdivisions (a) to (d),
 8 inclusive, of Section 7583.24, and Section 7583.28 and has in his
 9 or her possession a valid firearms qualification card. A licensee
 10 or qualified manager who possesses a valid firearms qualification
 11 card shall comply with, and be subject to subdivisions (a) to (d),
 12 inclusive, of Sections 7583.25, and Sections 7583.26, 7583.27,
 13 7583.31, 7583.32, and 7583.37, except that paragraph (5) of
 14 Section 7583.32 shall not apply. A licensee or qualified manager
 15 who possesses a valid firearms qualification card may carry a
 16 firearm capable of being concealed upon the person in a concealed
 17 manner if he or she complies with applicable provisions set forth
 18 in Chapter 4 (commencing with Section 26150) of Division 5 of
 19 Title 4 of Part 6 of the Penal Code.

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

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

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

32 7563. The director, in lieu of suspending or revoking a license
 33 issued under this chapter for violations of Sections 7561.1, 7561.3,
 34 and 7561.4, may impose a civil penalty not to exceed five hundred
 35 dollars (\$500) for the first violation, and one thousand dollars
 36 (\$1,000) for each violation thereafter, upon a licensee, if the
 37 director determines that this action better serves the purposes of
 38 this chapter.

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

1 ~~7566. The director may assess administrative fines of fifty~~
2 ~~dollars (\$50) against any licensee, qualified manager, or firearms~~
3 ~~qualification cardholder for each violation for failure to notify the~~
4 ~~bureau within 30 days of any change of residence or business~~
5 ~~address. The principal place of business may be at a home or at a~~
6 ~~business address, but it shall be the place at which the licensee~~
7 ~~maintains a permanent office.~~

8 SEC. 12. ~~Article 8 (commencing with Section 7573.5) is added~~
9 ~~to Chapter 11.3 of Division 3 of the Business and Professions~~
10 ~~Code, to read:~~

11
12 ~~Article 8. Review~~

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

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

22
23 ~~Article 6. Review~~

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

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

20 7583.6. (a) A person entering the employ of a licensee to
21 perform the functions of a security guard or a security patrolperson
22 shall complete a course in the exercise of the power to arrest prior
23 to being assigned to a duty location.

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

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

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

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

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

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

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

30 ~~SEC. 16. Section 7583.12 of the Business and Professions~~
31 ~~Code is amended to read:~~

32 ~~7583.12. (a) An employee of a licensee shall not carry or use~~
33 ~~a firearm unless the employee has in his or her possession both of~~
34 ~~the following:~~

35 ~~(1) A valid guard registration card issued pursuant to this~~
36 ~~chapter.~~

37 ~~(2) A valid firearm qualification card issued pursuant to this~~
38 ~~chapter.~~

39 ~~(b) An employee of a licensee may carry or use a firearm while~~
40 ~~working as a security guard or security patrolperson pending receipt~~

1 of a firearm qualification card if he or she has been approved by
2 the bureau and carries on his or her person a hardcopy printout of
3 the bureau's approval from the bureau's Internet Web site and a
4 valid picture identification.

5 (e) In the event of the loss or destruction of the firearm
6 qualification card, the cardholder may apply to the bureau for a
7 certified replacement of the card, stating the circumstances
8 surrounding the loss, and pay a ten-dollar (\$10) certification fee;
9 whereupon the bureau shall issue a certified replacement of the
10 card.

11 (d) Paragraph (2) of subdivision (a) and subdivision (b) shall
12 not apply to a duly appointed peace officer, as defined in Chapter
13 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal
14 Code, who meets all of the following:

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

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

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

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

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

37 SEC. 17. Section 7583.22 of the Business and Professions
38 Code is amended to read:

39 7583.22. (a) A licensee, qualified manager of a licensee, or
40 security guard who, in the course of his or her employment, may

1 be required to carry a firearm shall, prior to carrying a firearm, do
2 both of the following:

3 (1) ~~Complete a course of training in the carrying and use of~~
4 ~~firearms.~~

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

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

12 (c) ~~A pocket card issued by the bureau pursuant to Section~~
13 ~~7582.13 may also serve as a firearms qualification card if so~~
14 ~~indicated on the face of the card.~~

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

22 SEC. 18. ~~Section 7583.23 of the Business and Professions~~
23 ~~Code is amended to read:~~

24 ~~7583.23. The bureau shall issue a firearms permit when all of~~
25 ~~the following conditions are satisfied:~~

26 (a) ~~The applicant is a licensee, a qualified manager of a licensee,~~
27 ~~or a registered uniformed security guard.~~

28 (b) ~~A certified firearms training instructor has certified that the~~
29 ~~applicant has successfully completed a written examination~~
30 ~~prepared by the bureau and training course in the carrying and use~~
31 ~~of firearms approved by the bureau.~~

32 (c) ~~The applicant has filed with the bureau a classifiable~~
33 ~~fingerprint card, a completed application for a firearms permit on~~
34 ~~a form prescribed by the director, dated and signed by the applicant,~~
35 ~~certifying under penalty of perjury that the information in the~~
36 ~~application is true and correct.~~

37 (d) ~~The bureau has determined, after investigation, that the~~
38 ~~carrying and use of a firearm by the applicant, in the course of his~~
39 ~~or her duties, presents no apparent threat to the public safety, or~~

1 that the carrying and use of a firearm by the applicant is not in
2 violation of the Penal Code.

3 (e) ~~The applicant has produced evidence to the firearm training
4 facility that he or she is a citizen of the United States or has
5 permanent legal alien status in the United States. Evidence of
6 citizenship or permanent legal alien status shall be that deemed
7 sufficient by the bureau to ensure compliance with federal laws
8 prohibiting possession of firearms by persons unlawfully in the
9 United States and may include, but not be limited to, the United
10 States Department of Justice, Immigration and Naturalization
11 Service Form I-151 or I-551, Alien Registration Receipt Card,
12 naturalization documents, or birth certificates evidencing lawful
13 residence or status in the United States.~~

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

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

20 SEC. 19. ~~Section 7583.24 of the Business and Professions
21 Code is amended to read:~~

22 7583.24. (a) ~~The bureau shall not issue a firearm permit if the
23 applicant is prohibited from possessing, receiving, owning, or
24 purchasing a firearm pursuant to state or federal law.~~

25 (b) ~~Before issuing an initial firearm permit the bureau shall
26 provide the Department of Justice with the name, address, social
27 security number, and fingerprints of the applicant.~~

28 (c) ~~The Department of Justice shall inform the bureau, within
29 60 days from receipt of the information specified in subdivision
30 (b), of the applicant's eligibility to possess, receive, purchase, or
31 own a firearm pursuant to state and federal law.~~

32 (d) ~~An applicant who has been denied a firearm permit based
33 upon subdivision (a) may reapply for the permit after the
34 prohibition expires. The bureau shall treat this application as an
35 initial application and shall follow the required screening process
36 as specified in this section.~~

37 (e) ~~Beginning July 1, 2017, the bureau shall not issue a firearm
38 permit if the applicant has not been found capable of exercising
39 appropriate judgment, restraint, and self-control for the purposes~~

1 of carrying and using a firearm during the course of his or her
2 duties, pursuant to Section 7583.47.

3 SEC. 20. Section 7583.25 of the Business and Professions
4 Code is amended to read:

5 7583.25. (a) The bureau shall not renew a firearm permit if
6 the applicant is prohibited from possessing, receiving, purchasing,
7 or owning a firearm pursuant to state or federal law.

8 (b) Before renewing a firearm permit, the bureau shall provide
9 the Department of Justice with the information necessary to identify
10 the renewal applicant. No firearm permit shall be renewed if the
11 expiration date of the permit is between October 1, 1993, and
12 October 1, 1994, unless the application for renewal is also
13 accompanied by a classifiable fingerprint card and the fingerprint
14 processing fees for that card.

15 (c) The Department of Justice shall inform the bureau, within
16 30 days of receipt of the information specified in subdivision (b),
17 of the renewal applicant's eligibility to possess, receive, purchase,
18 or own a firearm pursuant to state and federal law.

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

24 (e) Beginning July 1, 2017, the bureau shall not renew a firearm
25 permit if the applicant has not been found capable of exercising
26 appropriate judgment, restraint, and self-control for the purposes
27 of carrying and using a firearm during the course of his or her
28 duties, pursuant to Section 7583.47.

29 SEC. 21. Section 7583.29 of the Business and Professions
30 Code is amended to read:

31 7583.29. If a firearms permit is denied, the denial of the permit
32 shall be in writing and shall describe the basis for the denial. The
33 denial shall inform the applicant that if he or she desires a review
34 by a disciplinary review committee to contest the denial, the review
35 shall be requested of the director within 30 days following notice
36 of the issuance of the denial. However, no review or hearing shall
37 be granted to an individual who is otherwise prohibited by law
38 from carrying a firearm or, beginning July 1, 2017, the applicant
39 has not been found capable of exercising appropriate judgment,
40 restraint, and self-control for the purposes of carrying and using

1 a firearm during the course of his or her duties, pursuant to Section
2 7583.47.

3 ~~SEC. 22. Section 7583.32 of the Business and Professions~~
4 ~~Code is amended to read:~~

5 ~~7583.32. (a) A firearms qualification card expires two years~~
6 ~~from the date of issuance, if not renewed. A person who wishes~~
7 ~~to renew a firearms qualification card shall file an application for~~
8 ~~renewal at least 60 days prior to the card's expiration. A person~~
9 ~~whose card has expired shall not carry a firearm until he or she~~
10 ~~has been issued a renewal card by the bureau.~~

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

13 ~~(1) The cardholder has filed with the bureau a completed~~
14 ~~application for renewal of a firearms qualification card, on a form~~
15 ~~prescribed by the director, dated and signed by the applicant under~~
16 ~~penalty of perjury certifying that the information on the application~~
17 ~~is true and correct.~~

18 ~~(2) The applicant has requalified on the range and has~~
19 ~~successfully passed a written examination based on course content~~
20 ~~as specified in the firearms training manual approved by the~~
21 ~~department and taught at a training facility approved by the bureau.~~

22 ~~(3) The application is accompanied by a firearms requalification~~
23 ~~fee as prescribed in this chapter.~~

24 ~~(4) The applicant has produced evidence to the firearm training~~
25 ~~facility, either upon receiving his or her original qualification card~~
26 ~~or upon filing for renewal of that card, that he or she is a citizen~~
27 ~~of the United States or has permanent legal alien status in the~~
28 ~~United States. Evidence of citizenship or permanent legal alien~~
29 ~~status is that deemed sufficient by the bureau to ensure compliance~~
30 ~~with federal laws prohibiting possession of firearms by persons~~
31 ~~unlawfully in the United States and may include, but not be limited~~
32 ~~to, Department of Justice, Immigration and Naturalization Service~~
33 ~~Form I-151 or I-551, Alien Registration Receipt Card,~~
34 ~~naturalization documents, or birth certificates evidencing lawful~~
35 ~~residence or status in the United States.~~

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

1 ~~(e) An expired firearms qualification card may not be renewed.~~
2 ~~A person with an expired registration is required to apply for a~~
3 ~~new firearms qualification in the manner required of persons not~~
4 ~~previously registered. A person whose card has expired shall not~~
5 ~~carry a firearm until he or she has been issued a new firearms~~
6 ~~qualification card by the bureau.~~

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

12 ~~SEC. 23. Section 7583.33 of the Business and Professions~~
13 ~~Code is amended to read:~~

14 ~~7583.33. (a) Any licensee, qualified manager, or a registered~~
15 ~~uniformed security guard who wishes to carry a baton in the~~
16 ~~performance of his or her duties, shall qualify to carry the weapon~~
17 ~~pursuant to Article 5 (commencing with Section 7585).~~

18 ~~(b) Subdivision (a) does not apply to a peace officer as defined~~
19 ~~in Chapter 4.5 (commencing with Section 830) of Title 3 of Part~~
20 ~~2 of the Penal Code who has successfully completed a course of~~
21 ~~study in the use of batons or to a federal qualified law enforcement~~
22 ~~officer, as defined in Section 926B of Title 18 of the United States~~
23 ~~Code, who has successfully completed a course of study in the use~~
24 ~~of batons.~~

25 ~~SEC. 24. Section 7583.47 is added to the Business and~~
26 ~~Professions Code, to read:~~

27 ~~7583.47. (a) Beginning July 1, 2017, as a condition for the~~
28 ~~issuance or renewal of a firearms permit, the applicant shall~~
29 ~~complete a psychological assessment to determine whether or not~~
30 ~~the applicant, at the point in time of the assessment, is capable of~~
31 ~~exercising appropriate judgment, restraint, and self-control for the~~
32 ~~purposes of carrying and using a firearm during the course of his~~
33 ~~or her duties. If an applicant fails to meet the standards of the initial~~
34 ~~assessment, the bureau shall provide a secondary assessment option~~
35 ~~pursuant to this section.~~

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

1 ~~(e) The bureau shall consult with a California licensed~~
2 ~~psychologist, or other persons with subject matter expertise to~~
3 ~~assist with the development of a contract for a vendor to administer~~
4 ~~the psychological assessments. The licensed psychologist or other~~
5 ~~persons shall assist the bureau with the following, but is not limited~~
6 ~~to the following list:~~

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

9 ~~(2) The review of the contract bids received by the bureau from~~
10 ~~third-party vendors seeking to administer the psychological~~
11 ~~assessments to ensure the assessment specified in the contract bid~~
12 ~~meets the minimum standards for the assessment established by~~
13 ~~the bureau and its consultants.~~

14 ~~(d) The bureau shall contract with a third-party vendor to~~
15 ~~administer a psychological assessment program to determine the~~
16 ~~applicant's capability, as the point in time of the assessment, of~~
17 ~~exercising appropriate judgment, restraint, and self-control for the~~
18 ~~purposes of carrying and using a firearm during the course of his~~
19 ~~or her duties.~~

20 ~~(e) (1) Upon receipt of the initial or renewal firearms permit~~
21 ~~application, the bureau shall notify the applicant that he or she is~~
22 ~~to contact the bureau's psychological assessment vendor to~~
23 ~~complete the psychological assessment. The applicant shall bear~~
24 ~~the cost of the psychological assessment. If the applicant seeks~~
25 ~~employment with, or is employed by, a licensee, the licensee may~~
26 ~~bear the costs of the evaluation. The psychological assessment~~
27 ~~vendor shall, within 30 days of completing the assessment, directly~~
28 ~~notify the bureau of the applicant's capability in exercising~~
29 ~~appropriate judgment, restraint and self-control for the purposes~~
30 ~~of carrying and using a firearm during the course of his or her~~
31 ~~duties, based on the psychological assessment results in the manner~~
32 ~~prescribed by the bureau.~~

33 ~~(2) If the results of the applicant's psychological assessment~~
34 ~~indicate that he or she is capable of exercising appropriate~~
35 ~~judgment, restraint, and self-control for the purposes of carrying~~
36 ~~and using a firearm during the course of his or her duties, the~~
37 ~~bureau may consider the results as demonstration of the applicant's~~
38 ~~psychological capability of exercising appropriate judgment,~~
39 ~~restraint, and self-control for the purposes of the issuance of a~~
40 ~~firearms permit.~~

1 (f) If the psychological assessment is inconclusive or determines
2 that the applicant may not be capable of exercising appropriate
3 judgment, restraint, and self-control for the purposes of carrying
4 and using a firearm during the course of his or her duties, and the
5 applicant desires to continue the firearms permit application
6 process, the applicant shall complete a psychological evaluation.
7 The psychological evaluation shall be administered by a California
8 licensed psychologist of the applicant's choosing, excluding any
9 psychologist with an existing personal or professional relationship
10 with the applicant. The California licensed psychologist, or his or
11 her designee, shall conduct an inperson interview and may employ
12 whatever psychological measuring instruments or techniques
13 deemed necessary to render a professional opinion. The California
14 licensed psychologist shall, within 15 days of completing the
15 psychological evaluation, provide the bureau with his or her written
16 conclusion as to whether or not the applicant is capable of
17 exercising appropriate judgment, restraint, and self-control for the
18 purposes of carrying and using a firearm during the course of his
19 or her duties at the point in time of the evaluation. Included in the
20 written psychological evaluation shall be the assessment measures
21 used and the reason for their inclusion. The licensed psychologist's
22 written conclusion shall be provided to the bureau on a form
23 prescribed by the bureau. The applicant shall bear the costs of the
24 psychological evaluation. If the applicant seeks employment with,
25 or is employed by, a licensee that has an established and approved
26 process for the Minnesota Multiphasic Personality Inventory
27 (MMPI), the Institute for Personality and Ability Testing, Inc.,
28 (IPAT), or other psychological evaluation, the applicant may
29 choose to submit the response data to a licensed psychologist
30 chosen by the licensee. A licensee employing this process may
31 bear the costs of the evaluation.

32 (1) If the conclusions of the applicant's evaluation by a licensed
33 psychologist indicate that he or she is capable of exercising
34 appropriate judgment, restraint, and self-control for the purposes
35 of carrying and using a firearm during the course of his or her
36 duties, at the point in time of the evaluation, the bureau may
37 consider the conclusions as a demonstration of the applicant's
38 psychological capability in exercising appropriate judgment,
39 restraint, and self-control for the purposes of the issuance of a
40 firearms permit.

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

6 ~~(g) The bureau may utilize the conclusions of the psychological~~
7 ~~assessment or evaluation, for the purpose of making a~~
8 ~~determination on the individual's initial or renewal application for~~
9 ~~a firearms permit, for up to six months from the date the assessment~~
10 ~~or evaluation was completed.~~

11 ~~(h) An applicant who is denied a firearms permit by the bureau~~
12 ~~due to being found incapable, at the time of assessment or~~
13 ~~evaluation, of exercising appropriate judgment, restraint, and~~
14 ~~self-control for the purposes of carrying and using a firearm during~~
15 ~~the course of his or her duties, shall not reapply for a firearms~~
16 ~~permit for one year from the date of being denied a firearms permit~~
17 ~~by the bureau.~~

18 ~~(i) The bureau may decide if the applicant shall be administered~~
19 ~~an additional psychological evaluation instrument after the~~
20 ~~discharge of a firearm that requires the written report, described~~
21 ~~in Section 7583.4, in order to retain the firearms permit.~~

22 ~~(j) This section does not apply to the following persons:~~

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

25 ~~(2) A federal law enforcement officer.~~

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

32 ~~(k) This section does not prohibit a licensee from imposing~~
33 ~~additional requirements or taking additional steps to ensure that~~
34 ~~employees are qualified to work with firearms.~~

35 ~~(l) The bureau may promulgate regulations to implement this~~
36 ~~section.~~

37 ~~SEC. 25. Section 7585.4.1 is added to the Business and~~
38 ~~Professions Code, to read:~~

39 ~~7585.4.1. (a) (1) Within 120 days after issuance of a~~
40 ~~“Firearms Training Facility Certificate,” the bureau shall inspect~~

1 the facility for compliance with the applicable requirements of this
2 article and the applicable rules and regulations of the bureau
3 adopted pursuant to this article.

4 (2) The bureau may inspect the establishment for which a
5 certificate application has been made prior to the issuance of the
6 certificate.

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

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

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

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

17 7587.8. The director may assess fines for the following acts
18 pursuant to Article 4 (commencing with Section 7583) only as
19 follows:

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

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

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

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

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

32 SEC. 27. Section 7587.9 of the Business and Professions Code
33 is amended to read:

34 7587.9. 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) and (b) of Section 7583.3; one
38 hundred fifty dollars (\$150) per violation.

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

4 ~~(c) Violation of Section 7583.4; five hundred dollars (\$500) per~~
5 ~~violation.~~

6 ~~SEC. 28. Section 7587.10 of the Business and Professions~~
7 ~~Code is amended to read:~~

8 ~~7587.10. The director may assess fines for the following acts~~
9 ~~pursuant to Article 4 (commencing with Section 7583) only as~~
10 ~~follows:~~

11 ~~(a) Violation of subdivisions (c) and (d) of Section 7583.37;~~
12 ~~one hundred dollars (\$100) for the first violation and two hundred~~
13 ~~dollars (\$200) for each violation thereafter.~~

14 ~~(b) Violation of subdivision (a) of Section 7583.37; one hundred~~
15 ~~dollars (\$100) for the first violation and five hundred dollars (\$500)~~
16 ~~for each violation thereafter.~~

17 ~~(c) Violation of subdivision (e) of Section 7583.37; one thousand~~
18 ~~dollars (\$1,000).~~

19 ~~(d) Violation of subdivision (b) of Section 7583.37; one~~
20 ~~thousand dollars (\$1,000) and suspension of a firearm qualification~~
21 ~~card for six months for the first violation and, for a violation~~
22 ~~thereafter, one thousand dollars (\$1,000) and a suspension of a~~
23 ~~firearm qualification card for not more than one year.~~

24 ~~SEC. 29. Section 7587.12 of the Business and Professions~~
25 ~~Code is amended to read:~~

26 ~~7587.12. The director may assess fines for the following acts~~
27 ~~only as follows:~~

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

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

35 ~~(c) Violations of paragraph (6) of subdivision (a) of Section~~
36 ~~7585.19; five hundred dollars (\$500) for each hour shortened.~~

37 ~~(d) Violations of paragraph (4) of subdivision (a) of Section~~
38 ~~7585.19; five hundred dollars (\$500) for each violation.~~

1 ~~(e) Violations of paragraph (5) of subdivision (a) of Section~~
2 ~~7585.19; five hundred dollars (\$500) for every hour the course has~~
3 ~~been shortened.~~

4 ~~(f) Violations of paragraph (9) of subdivision (a) of Section~~
5 ~~7585.19; one thousand dollars (\$1,000) for each violation.~~

6 ~~SEC. 30. Section 7587.14 of the Business and Professions~~
7 ~~Code is amended to read:~~

8 ~~7587.14. The director may assess administrative fines of fifty~~
9 ~~dollars (\$50) against any licensee, registrant, or firearms~~
10 ~~qualification cardholder for each violation for failure to notify the~~
11 ~~bureau within 30 days of any change of residence or business~~
12 ~~address. The principal place of business may be at a home or at a~~
13 ~~business address, but it shall be the place at which the licensee~~
14 ~~maintains a permanent office.~~

15 ~~SEC. 31. Article 9 (commencing with Section 7588.8) is added~~
16 ~~to Chapter 11.5 of Division 3 of the Business and Professions~~
17 ~~Code, to read:~~

18
19 ~~Article 9. Review~~
20

21 ~~7588.8. Notwithstanding any other law, the powers and duties~~
22 ~~of the bureau, as set forth in this chapter, shall be subject to review~~
23 ~~by the appropriate policy committees of the Legislature. The review~~
24 ~~shall be performed as if this chapter were scheduled to be repealed~~
25 ~~as of January 1, 2020.~~

26 ~~SEC. 32. Section 7597.1 of the Business and Professions Code~~
27 ~~is amended to read:~~

28 ~~7597.1. (a) A licensee, qualified manager, branch office~~
29 ~~manager, or alarm agent shall not carry, use, or possess a loaded~~
30 ~~or unloaded firearm in the course and scope of his or her~~
31 ~~employment, whether or not it is serviceable or operative, unless~~
32 ~~he or she has in his or her possession a valid and current firearms~~
33 ~~qualification card issued to him or her by the bureau. The card~~
34 ~~shall be shown to any peace officer or bureau representative upon~~
35 ~~demand.~~

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

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

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

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

9 ~~(e) A fine of two hundred fifty dollars (\$250) may be assessed~~
10 ~~for the first violation of this section and a fine of five hundred~~
11 ~~dollars (\$500) for each subsequent violation.~~

12 ~~SEC. 33. Section 7597.2 of the Business and Professions Code~~
13 ~~is amended to read:~~

14 ~~7597.2. (a) A licensee, qualified manager, branch office~~
15 ~~manager, or alarm agent shall not carry any inoperable, replica, or~~
16 ~~other simulated firearm.~~

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

20 ~~SEC. 34. Section 7597.3 of the Business and Professions Code~~
21 ~~is amended to read:~~

22 ~~7597.3. (a) A licensee, qualified manager, branch office~~
23 ~~manager, or alarm agent shall not use a firearm which is in~~
24 ~~violation of law, or in knowing violation of the standards for~~
25 ~~carrying and usage of firearms, as taught in the course of training~~
26 ~~in the carrying and use of firearms, including, but not limited to:~~

27 ~~(1) Illegally using, carrying, or possessing a dangerous weapon.~~
28 ~~(2) Brandishing a weapon.~~
29 ~~(3) Drawing a weapon without proper cause.~~
30 ~~(4) Provoking a shooting incident without cause.~~
31 ~~(5) Carrying or using a firearm while on duty under the influence~~
32 ~~of alcohol or dangerous drugs.~~

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

35 ~~(b) A fine of one thousand dollars (\$1,000) and a suspension of~~
36 ~~the firearms permit for six months may be assessed for the first~~
37 ~~violation of this section and a fine of one thousand dollars (\$1,000)~~
38 ~~and a suspension of the firearms permit for not more than one year~~
39 ~~for a subsequent violation.~~

1 ~~SEC. 35.—Section 7597.5 of the Business and Professions Code~~
2 ~~is amended to read:~~

3 ~~7597.5. (a) A licensee, qualified manager, branch office~~
4 ~~manager, or alarm agent shall not carry or use tear gas or any other~~
5 ~~nonlethal chemical agent in the performance of his or her duties,~~
6 ~~unless he or she has in his or her possession proof of completion~~
7 ~~of a course in the carrying and use of tear gas or other nonlethal~~
8 ~~chemical agent.~~

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

12 ~~SEC. 36.—Section 7597.6 of the Business and Professions Code~~
13 ~~is amended to read:~~

14 ~~7597.6. (a) A licensee, qualified manager, branch office~~
15 ~~manager, or alarm agent shall not carry a pistol, revolver, or other~~
16 ~~firearm capable of being concealed upon the person in a concealed~~
17 ~~manner unless one of the following circumstances apply:~~

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

21 ~~(2) The person is an honorably retired peace officer authorized~~
22 ~~to carry a concealed firearm pursuant to Section 25650 of the Penal~~
23 ~~Code or Article 2 (commencing with Section 25450) of Chapter~~
24 ~~2 of Division 5 of Title 4 of Part 6 of the Penal Code.~~

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

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

33 ~~SEC. 37.—Section 7598.51 of the Business and Professions~~
34 ~~Code is amended to read:~~

35 ~~7598.51. (a) An alarm agent shall carry on his or her person,~~
36 ~~while on duty, either a valid and current registration card or a~~
37 ~~temporary application for registration.~~

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

1 ~~SEC. 38. Section 7598.53 of the Business and Professions~~
2 ~~Code is amended to read:~~

3 ~~7598.53. An alarm agent who responds to an alarm system~~
4 ~~shall wear a prominently displayed patch or other designation~~
5 ~~which clearly identifies the name of the licensee. An alarm agent~~
6 ~~who carries a deadly weapon while responding to an alarm system~~
7 ~~shall wear a recognizable uniform with a prominently displayed~~
8 ~~patch or other designation which clearly identifies the name of the~~
9 ~~licensee. The uniform must be distinguishable from the uniforms~~
10 ~~worn by local regular law enforcement officers. A violation of this~~
11 ~~section may result in a fine of two hundred fifty dollars (\$250) for~~
12 ~~each violation.~~

13 ~~SEC. 39. Section 7599.32 of the Business and Professions~~
14 ~~Code, as amended by Section 20 of Chapter 291 of the Statutes of~~
15 ~~2012, is amended to read:~~

16 ~~7599.32. (a) A licensee shall notify the bureau within 30 days~~
17 ~~of any change of its officers or members required to be named~~
18 ~~pursuant to Section 7593.4 or 7593.5 and of any addition of a new~~
19 ~~partner.~~

20 ~~(b) Applications, on forms prescribed by the director, shall be~~
21 ~~submitted by all new officers, managing members, and partners.~~
22 ~~The director may suspend or revoke a license issued under this~~
23 ~~chapter if the director determines that the new officer, managing~~
24 ~~member, or partner has committed any act which constitutes~~
25 ~~grounds for the denial of a license pursuant to Section 7591.10.~~

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

29 ~~(d) This section shall remain in effect only until January 1, 2019,~~
30 ~~and as of that date is repealed, unless a later enacted statute, that~~
31 ~~is enacted before January 1, 2019, deletes or extends that date.~~

32 ~~SEC. 40. Section 7599.32 of the Business and Professions~~
33 ~~Code, as added by Section 21 of Chapter 291 of the Statutes of~~
34 ~~2012, is amended to read:~~

35 ~~7599.32. (a) A licensee shall notify the bureau within 30 days~~
36 ~~of any change of its officers required to be named pursuant to~~
37 ~~Section 7593.4 and of any addition of a new partner.~~

38 ~~(b) Applications, on forms prescribed by the director, shall be~~
39 ~~submitted by all new officers and partners. The director may~~
40 ~~suspend or revoke a license issued under this chapter if the director~~

1 ~~determines that the new officer or partner has committed any act~~
2 ~~which constitutes grounds for the denial of a license pursuant to~~
3 ~~Section 7591.10.~~

4 ~~(e) A notice of warning may be issued for the first violation of~~
5 ~~this section and a fine of five hundred dollars (\$500) for each~~
6 ~~subsequent violation.~~

7 ~~(d) This section shall become operative on January 1, 2019.~~

8 ~~SEC. 41. Section 7599.33 of the Business and Professions~~
9 ~~Code is amended to read:~~

10 ~~7599.33. A licensee shall not conduct business, as defined in~~
11 ~~Section 7599.20, from any location other than that location for~~
12 ~~which a license or branch office registration was issued. A violation~~
13 ~~of this section may result in a fine of five hundred dollars (\$500)~~
14 ~~for the first violation of this section and a fine of one thousand~~
15 ~~dollars (\$1,000) for each subsequent violation.~~

16 ~~SEC. 42. Section 7599.34 of the Business and Professions~~
17 ~~Code, as amended by Section 22 of Chapter 291 of the Statutes of~~
18 ~~2012, is amended to read:~~

19 ~~7599.34. (a) A licensee shall not conduct a business as an~~
20 ~~individual, partnership, limited liability company, or corporation~~
21 ~~unless the licensee holds a valid license issued to that exact same~~
22 ~~individual, partnership, limited liability company, or corporation.~~
23 ~~A violation of this section may result in a fine of five hundred~~
24 ~~dollars (\$500) for each violation.~~

25 ~~(b) As a condition of the issuance, reinstatement, reactivation,~~
26 ~~or continued valid use of a license under this chapter, a limited~~
27 ~~liability company shall, in accordance with the provisions of this~~
28 ~~section, maintain a policy or policies of insurance against liability~~
29 ~~imposed on or against it by law for damages arising out of claims~~
30 ~~based upon acts, errors, or omissions arising out of the alarm~~
31 ~~company services it provides.~~

32 ~~(c) The total aggregate limit of liability under the policy or~~
33 ~~policies of insurance required under this section shall be as follows:~~

34 ~~(1) For a limited liability company licensee with five or fewer~~
35 ~~persons named as managing members pursuant to Section 7593.5~~
36 ~~or 7599.32, the aggregate limit shall not be less than one million~~
37 ~~dollars (\$1,000,000).~~

38 ~~(2) For a limited liability company licensee with more than five~~
39 ~~persons named as managing members pursuant to Section 7593.5~~
40 ~~or 7599.32, an additional one hundred thousand dollars (\$100,000)~~

1 of insurance shall be obtained for each person named as managing
2 members of the licensee except that the maximum amount of
3 insurance is not required to exceed five million dollars (\$5,000,000)
4 in any one designated period, less amounts paid in defending,
5 settling, or discharging claims as set forth under this section.

6 ~~(d) Prior to the issuance, reinstatement, or reactivation of a~~
7 ~~limited liability company license as provided under this chapter,~~
8 ~~the applicant or licensee shall, in the manner prescribed by the~~
9 ~~bureau, submit the information and documentation required by~~
10 ~~this section and requested by the bureau, demonstrating compliance~~
11 ~~with the financial security requirements specified by this section.~~

12 ~~(e) For any insurance policy secured by a licensee in satisfaction~~
13 ~~of this section, a Certificate of Liability Insurance, signed by an~~
14 ~~authorized agent or employee of the insurer, shall be submitted~~
15 ~~electronically or otherwise to the bureau. The insurer issuing the~~
16 ~~certificate shall report to the bureau the following information for~~
17 ~~any policy required under this section: name, license number,~~
18 ~~policy number, dates that coverage is scheduled to commence and~~
19 ~~lapse, the date and amount of any payment of claims, and~~
20 ~~cancellation date if applicable.~~

21 ~~(f) If a licensee fails to maintain sufficient insurance as required~~
22 ~~by this section, the license is subject to suspension.~~

23 ~~(g) Where the license of a limited liability company is suspended~~
24 ~~pursuant to subdivision (f), each member of the limited liability~~
25 ~~company shall be personally liable up to one million dollars~~
26 ~~(\$1,000,000) each for damages resulting to third parties in~~
27 ~~connection with the company's performance, during the period of~~
28 ~~suspension, of any act or contract where a license is required by~~
29 ~~this chapter.~~

30 ~~(h) This section shall remain in effect only until January 1, 2019,~~
31 ~~and as of that date is repealed, unless a later enacted statute, that~~
32 ~~is enacted before January 1, 2019, deletes or extends that date.~~

33 ~~SEC. 43. Section 7599.34 of the Business and Professions~~
34 ~~Code, as added by Section 23 of Chapter 291 of the Statutes of~~
35 ~~2012, is amended to read:~~

36 ~~7599.34. (a) A licensee shall not conduct a business as an~~
37 ~~individual, partnership, or corporation unless the licensee holds a~~
38 ~~valid license issued to that exact same individual, partnership, or~~
39 ~~corporation. A violation of this section may result in a fine of five~~
40 ~~hundred dollars (\$500) for each violation.~~

1 ~~(b) This section shall become operative on January 1, 2019.~~

2 ~~SEC. 44. Section 7599.36 of the Business and Professions~~
3 ~~Code is amended to read:~~

4 ~~7599.36. (a) Each licensee shall maintain a file or record~~
5 ~~containing the name, address, commencing date of employment,~~
6 ~~and position of each employee, and the date of termination. Those~~
7 ~~files and records shall be retained during the time of employment~~
8 ~~and for a period of not less than two years thereafter, and, together~~
9 ~~with usual payroll records, shall be available for inspection by the~~
10 ~~bureau, and copies thereof and information pertaining thereto or~~
11 ~~contained therein shall be submitted to the bureau upon written~~
12 ~~request. A violation concerning the maintenance of the files or~~
13 ~~records may result in a fine of two hundred fifty dollars (\$250) for~~
14 ~~each violation.~~

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

20 ~~SEC. 45. Section 7599.37 of the Business and Professions~~
21 ~~Code is amended to read:~~

22 ~~7599.37. Each licensee shall maintain an accurate and current~~
23 ~~record of proof of completion of the course of training in the~~
24 ~~exercise of the power to arrest as required by Section 7598.1, by~~
25 ~~each of his or her employees. A violation of this section may result~~
26 ~~in a fine of five hundred dollars (\$500) for each violation.~~

27 ~~SEC. 46. Section 7599.38 of the Business and Professions~~
28 ~~Code is amended to read:~~

29 ~~7599.38. Each licensee shall certify an employee's completion~~
30 ~~of the course of training in the exercise of power to arrest, or obtain~~
31 ~~proof that the training has been administered by a bureau-approved~~
32 ~~training facility, prior to allowing the employee to respond to an~~
33 ~~alarm system as required by Section 7598.1. A violation of this~~
34 ~~section may result in a fine of five hundred dollars (\$500) for each~~
35 ~~violation.~~

36 ~~SEC. 47. Section 7599.40 of the Business and Professions~~
37 ~~Code is amended to read:~~

38 ~~7599.40. A licensee shall not allow any employee to carry a~~
39 ~~firearm or other deadly weapon without first ascertaining that the~~
40 ~~employee is proficient in the use of each weapon to be carried. A~~

1 current and valid firearm qualification card which indicates the
2 specific caliber of the firearm which may be carried shall be
3 deemed evidence of proficiency. A firearm qualification permit is
4 not valid unless the employee holds a valid, current registration
5 card. With respect to other deadly weapons, evidence of proficiency
6 shall include a certificate from a training facility, certifying that
7 the employee is proficient in the use of that particular deadly
8 weapon. A violation of this section may result in a fine of two
9 thousand five hundred dollars (\$2,500) for each violation.

10 SEC. 48. Section 7599.41 of the Business and Professions
11 Code is amended to read:

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

20 SEC. 49. Section 7599.42 of the Business and Professions
21 Code, as amended by Section 24 of Chapter 291 of the Statutes of
22 2012, is amended to read:

23 7599.42. (a) Within seven days after any violent incident
24 involving a dangerous weapon that has been caused by or occurred
25 upon a licensee or any officer, partner, managing member, qualified
26 manager, or employee of a licensee, while acting within the course
27 and scope of his or her employment, and that results in bodily
28 injury to any person or death of any person involved in that incident
29 or of any discharge of a weapon, excluding any discharge which
30 occurs on the range, the licensee or his or her manager shall mail
31 or deliver to the chief a detailed report of the incident. The report
32 shall describe fully the circumstances surrounding the incident,
33 any injuries or damages incurred, the identity of all participants,
34 and whether a police investigation was conducted. A violation of
35 this section by a licensee or any officer, partner, managing member,
36 or qualified manager may result in a fine of one thousand dollars
37 (\$1,000) for the first violation and two thousand dollars (\$2,000)
38 for each subsequent violation. A violation of this section by an
39 employee of a licensee may result in a fine of five hundred dollars
40 (\$500) for each violation.

1 ~~(b) This section shall remain in effect only until January 1, 2019,~~
2 ~~and as of that date is repealed, unless a later enacted statute, that~~
3 ~~is enacted before January 1, 2019, deletes or extends that date.~~

4 ~~SEC. 50. Section 7599.42 of the Business and Professions~~
5 ~~Code, as added by Section 25 of Chapter 291 of the Statutes of~~
6 ~~2012, is amended to read:~~

7 ~~7599.42. (a) Within seven days after any violent incident~~
8 ~~involving a dangerous weapon, that has been caused by or occurred~~
9 ~~upon a licensee or any officer, partner, qualified manager, or~~
10 ~~employee of a licensee, while acting within the course and scope~~
11 ~~of his or her employment, and that results in bodily injury to any~~
12 ~~person or death of any person involved in that incident or of any~~
13 ~~discharge of a weapon, excluding any discharge which occurs on~~
14 ~~the range, the licensee or his or her manager shall mail or deliver~~
15 ~~to the chief a detailed report of the incident. The report shall~~
16 ~~describe fully the circumstances surrounding the incident, any~~
17 ~~injuries or damages incurred, the identity of all participants, and~~
18 ~~whether a police investigation was conducted. A violation of this~~
19 ~~section by a licensee or any officer, partner, managing member,~~
20 ~~or qualified manager may result in a fine of one thousand dollars~~
21 ~~(\$1,000) for the first violation and two thousand five hundred~~
22 ~~dollars (\$2,500) for each subsequent violation. A violation of this~~
23 ~~section by an employee of a licensee may result in a fine of five~~
24 ~~hundred dollars (\$500) for each violation.~~

25 ~~(b) This section shall become operative on January 1, 2019.~~

26 ~~SEC. 51. Section 7599.44 of the Business and Professions~~
27 ~~Code is amended to read:~~

28 ~~7599.44. Every advertisement by a licensee soliciting or~~
29 ~~advertising business shall contain his or her name and license~~
30 ~~number as they appear in the records of the bureau. A violation of~~
31 ~~this section may result in a fine of five hundred dollars (\$500) for~~
32 ~~the first violation and one thousand dollars (\$1,000) for each~~
33 ~~subsequent violation.~~

34 ~~SEC. 52. Section 7599.45 of the Business and Professions~~
35 ~~Code is amended to read:~~

36 ~~7599.45. A licensee or employee of a licensee shall not enter~~
37 ~~any private building or portion thereof, excepting premises open~~
38 ~~to the public, without the consent of the owner or the person in~~
39 ~~legal possession thereof. A violation of this section may result in~~
40 ~~a fine of one hundred dollars (\$100) for each violation.~~

1 ~~SEC. 53. Section 7599.54 of the Business and Professions~~
2 ~~Code is amended to read:~~

3 ~~7599.54. Every agreement, including, but not limited to, lease~~
4 ~~agreements, monitoring agreements, and service agreements,~~
5 ~~including all labor, services, and materials to be provided for the~~
6 ~~installation of an alarm system, shall be in writing. All amendments~~
7 ~~subject to the provisions of this section to an initial agreement~~
8 ~~shall be in writing. Each initial agreement shall contain, but not~~
9 ~~be limited to, the following:~~

10 ~~(a) The name, business address, business telephone number,~~
11 ~~and license number of the licensed alarm company operator and~~
12 ~~the registration number of any alarm agent who solicited or~~
13 ~~negotiated the agreement.~~

14 ~~(b) The approximate dates when the work will begin and be~~
15 ~~substantially completed.~~

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

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

21 ~~(e) A description of the alarm system including the major~~
22 ~~components thereof and services to be provided to the purchaser~~
23 ~~once the alarm is installed, including response or monitoring~~
24 ~~services, if any.~~

25 ~~(f) Other matters agreed to by the parties of the contract. The~~
26 ~~agreement shall be legible and shall be in a form as to clearly~~
27 ~~describe any other document which is to be incorporated into the~~
28 ~~contract, and, before any work is done, the client shall be furnished~~
29 ~~with a copy of the written agreement signed by the licensee.~~

30 ~~(g) A statement setting forth that upon completion of the~~
31 ~~installation of the alarm system, the alarm company shall~~
32 ~~thoroughly instruct the purchaser in the proper use of the alarm~~
33 ~~system.~~

34 ~~(h) In the event a mechanic's lien is to be utilized, a~~
35 ~~notice-to-owner statement which shall describe, in nontechnical~~
36 ~~language and in a clear and coherent manner using words with~~
37 ~~common and everyday meaning, the pertinent provisions of this~~
38 ~~state's mechanics' lien laws and the rights and responsibilities of~~
39 ~~an owner of property and a contractor thereunder, including the~~
40 ~~provisions relating to the filing of a contract concerning a work of~~

1 improvement with the county recorder and the recording in the
2 office of a contractor's payment bond for private work.

3 (i) ~~For agreements or renewals entered into on or after January~~
4 ~~1, 2016, if the agreement contains an automatic renewal provision,~~
5 ~~the agreement or renewal shall include a separate and clear~~
6 ~~disclosure, prior to any other terms and conditions of the~~
7 ~~agreement, advising the consumer that the agreement he or she is~~
8 ~~entering into contains an automatic renewal provision. The~~
9 ~~disclosure shall specify that if the consumer fails to provide~~
10 ~~notification of nonrenewal, as required in the agreement, it will~~
11 ~~result in the automatic renewal of the agreement and shall include~~
12 ~~the period of time of the renewal term. The disclosure shall include~~
13 ~~an acknowledgement of the notification to be signed and dated by~~
14 ~~the consumer. An automatic renewal provision shall be void and~~
15 ~~invalid unless the acknowledgment includes an original signature~~
16 ~~of the consumer.~~

17 (j) ~~In addition to the above, every initial residential sales and~~
18 ~~lease agreement, the total cost which over the time period fixed~~
19 ~~by the agreement exceeds two hundred fifty dollars (\$250),~~
20 ~~including the cost of all labor, service, or material to be provided~~
21 ~~by the licensee for the installation, shall include, but not be limited~~
22 ~~to, the following:~~

23 (1) ~~A schedule of payments showing the amount of each~~
24 ~~payment as a sum in dollars and cents. This schedule of payments~~
25 ~~shall be referenced to the amount of work for services to be~~
26 ~~performed or to any materials or equipment to be supplied.~~

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

32 (3) ~~In no event shall the payment schedule provide that the~~
33 ~~licensee receive, nor shall the licensee actually receive, payment~~
34 ~~in excess of 100 percent of the value of the work performed on~~
35 ~~the project at any time, excluding finance charges, except that the~~
36 ~~licensee may receive an initial downpayment authorized by~~
37 ~~paragraph (2). A failure by the licensee, without legal excuse, to~~
38 ~~substantially commence work within 20 days of the approximate~~
39 ~~date specified in the contract when work is to commence, shall~~
40 ~~postpone the next succeeding payment to the licensee for that~~

1 period of time equivalent to the time between when substantial
2 commencement was to have occurred and when it did occur.

3 ~~(4) A notice to owner statement which shall describe, in~~
4 ~~nontechnical language and in a clear and coherent manner using~~
5 ~~words with common and everyday meaning, the pertinent~~
6 ~~provisions of this state's mechanics' lien laws and the rights and~~
7 ~~responsibilities of an owner of property and a contractor thereunder,~~
8 ~~including the provisions relating to the filing of a contract~~
9 ~~concerning a work of improvement with the county recorder and~~
10 ~~the recording in the office of a contractor's payment bond for~~
11 ~~private work.~~

12 ~~(5) A description of what constitutes substantial commencement~~
13 ~~of work pursuant to the contract.~~

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

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

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

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

29 ~~SEC. 54. Section 7599.59 of the Business and Professions~~
30 ~~Code is amended to read:~~

31 ~~7599.59. The director may assess administrative fines of fifty~~
32 ~~dollars (\$50) against any licensee, qualified certificate holder,~~
33 ~~firearms qualification card holder, or registrant for each violation~~
34 ~~for failure to notify the bureau within 30 days of any change of~~
35 ~~residence or business address.~~

36 ~~SEC. 55. Article 15 (commencing with Section 7599.80) is~~
37 ~~added to Chapter 11.6 of Division 3 of the Business and Professions~~
38 ~~Code, to read:~~

1 Article 15. ~~Review~~

2
3 7599.80. ~~Notwithstanding any other law, the powers and duties~~
4 ~~of the bureau, as set forth in this chapter, shall be subject to review~~
5 ~~by the appropriate policy committees of the Legislature. The review~~
6 ~~shall be performed as if this chapter were scheduled to be repealed~~
7 ~~as of January 1, 2020.~~

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