



BUREAU OF SECURITY AND INVESTIGATIVE SERVICES

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Bureau of Security and Investigative Services

Responses to Sunset Review Issues and Recommendations

The Senate Committee on Business, Professions, and Economic Development and the Assembly Committee on Business and Professions prepared a Background Paper for the Bureau of Security and Investigative Services (Bureau or BSIS) for a Joint Sunset Review Oversight Hearing held on March 18, 2015. The Background Paper detailed the following 16 issues and recommendations pertaining to the Bureau, and the Bureau has prepared the following responses to the issues and recommendations raised by the Committees.

ISSUE #1: (BREEZE IMPLEMENTATION) Is the Bureau adequately prepared for its targeted implementation date of BreEZe?

Background: In 2009, after three failed attempts to update outdated “legacy” IT systems, DCA began the process of developing an IT system that would integrate the licensing and enforcement functions of all DCA boards. According to DCA, BreEZe is intended to provide applicant tracking, licensing, renewals, enforcement, monitoring, cashiering, and data management capabilities. In addition, BreEZe is web-enabled and designed to allow applicants and licensees to complete and submit applications, renewals, and the necessary fees through the internet when fully operational. The public also will be able to file complaints, access complaint status, and check licensee information, when the program is fully operational.

There were numerous problems with BreEZe when Release 1 was launched and service to hundreds of applicants and licensees was delayed. In fact, more than 1,000 system defects were identified at the time BreEZe was launched. Fixing the problems has required many hours of staff workarounds, system reprogramming, and contract renegotiations. While some issues with Release 1 have been resolved, many remain outstanding. This had led to further significant delays with the implementation of Release 2 of the BreEZe system.

The Bureau was targeted to implement BreEZe in April 2015 as part of Release 2, but has since been delayed due to problems encountered with the development and administration of the system. The Bureau is now targeted to implement BreEZe in March 2016 as part of the Phase 2 implementation. The Bureau has assigned its Deputy Chief and four analysts, one representing each of the Bureau’s units—Licensing, Enforcement, Disciplinary Review, and Policy—full-time to project development efforts since January 2014. The individuals on the team are considered the most knowledgeable in their respective areas and experts when it comes to the Bureau’s business processes, laws and regulations, and the current Legacy databases.

Staff Recommendation: *The Bureau should advise the Committees as to the status of BreEZe and efforts staff has taken to ensure the Bureau is ready to transition to the new program. The Bureau should provide the Committees with information about some of the specific issues the Bureau anticipates in using the new BreEZe system as well as how the system will track important information like incidents involving armed guards and its other licensees. The Bureau should report how BreEZe will impact unlicensed activity and the Bureau's ability to address this activity?*

Bureau's Response to Staff Recommendations:

The Bureau is prepared for a February 2016 BreEZe launch date. Bureau staff have worked closely with DCA BreEZe staff and BreEZe vendor staff to document all of the Bureau's regulatory operational needs for the Bureau's BreEZe platform. Currently, staff is working to map the data residing in the legacy systems for conversion into BreEZe, and developing the screens for data entry. Testing of the Bureau's BreEZe system is anticipated to begin in the summer.

The Bureau is coordinating with the Department on BreEZe organizational change management efforts in order to mitigate issues with adapting to the new technology. These efforts include staff attending DCA BreEZe training classes; updating the Bureau's desk manuals with BreEZe processes; establishing workstations at the Bureau for staff to practice in a Bureau-specific BreEZe test environment; and training Bureau managers on being effective change agents.

The greatest benefit BreEZe offers is the integration of the licensing, enforcement and disciplinary activities into one database. Staff will have immediate access to information, including alerts and holds, of activities involving an applicant or licensee in either licensing, enforcement or disciplinary, which will promote process efficiency and accuracy. The following functionalities are unavailable in the legacy systems, but will be available in BreEZe:

- Tracking incident reports (violent acts and firearm discharges);
- Tracking military and veteran applications;
- Monitoring compliance with specified insurance requirements;
- Displaying citation information under "Verify a License" information; and,
- Displaying approved trainer information in "Verify a License" information.

Since BreEZe houses all licensing and complaint information on an individual in one record, the Bureau will be able to track unlicensed activities more effectively. The manner in which complaint data resides in the current enforcement system makes it difficult to identify full complaint history. Having one record means all complaint and investigation information is located in one place.

ISSUE #2: (ONLINE ACCESS TO BUREAU INFORMATION) Should the Bureau move all information for licensees regarding its laws and regulations to an online, web based format that can be easily accessed by consumers and licensees alike?

Background: The Bureau is required to furnish all of its laws and regulations to its licensees; for the Private Investigator and Private Security Services Acts, they must be furnished every two years. Currently, the Bureau provides hard copies of this information directly to its licensees individually through paper materials. However, the Bureau also provides a variety of information to applicants, including links to the Bureau's laws and regulations, forms and publications, online license verification, disciplinary actions against licensees, and other Bureau activities through its website. The website offers a feature for individuals to subscribe to an Interested Parties List to receive information from the Bureau through an e-mail notification. It would be helpful for the Committees to understand how BreEZe implementation can also benefit the Bureau's website and online presence.

Staff Recommendation: *The Bureau should advise the Committees as to the overall benefits of switching to a paperless information system, including how this might affect Licensing staff workload and provide efficiencies as well as barriers to licensees who do not have access to the internet if in fact a paperless information system is implemented. The Bureau should outline any special provisions and accommodations for licensees who do not have access to the internet or who do not have an email address.*

Bureau's Response to Staff Recommendations:

The Bureau already provides access to the Bureau's statutes and regulations on its website and going paperless would be an easy change. Mailing the Bureau's laws and regulations is labor intensive, time consuming, and expensive. Elimination of the requirement will free up licensing staff to carry out other critical licensing-related activities.

The current requirements to mail the laws and regulations are geared toward company and/or business applicants and licensees. Based on current interactions with these individuals, the Bureau does not anticipate any significant issues with providing this information via the Bureau's public website. In the rare instance that an individual does not have access to the internet, they can call the Bureau and the Bureau can print and mail a copy of its laws and regulations from its website.

ISSUE #3: (STAFFING) Is an assessment of the Bureau's staffing resources needed to ensure the continued growth of the license population in the coming years?

Background: The Bureau currently has 49.9 authorized positions. While the Bureau has made many retention efforts for their staff, they are currently experiencing greater staff turnover in the Licensing Unit. While some of the turnover relates to the customary reasons, such as retirement, moving out of the area, promotional opportunities, etc., the heavy workload attributable to a growing license population also may be a major contributing factor.

The implementation of BreEZe is projected to have a positive impact on workload by providing applicants with the opportunity to apply online; however, the Bureau is concerned that BreEZe changes may not be enough to sufficiently address staff resource issues as the license population increases in response to the significant growth occurring in the private security industries.

Staff Recommendation: *The Bureau should conduct a workload and staff resource analysis after the implementation of BreEZe in order to measure the new system's effectiveness in handling the license population and effect in lowering the workload of the Licensing Unit staff. What are the Bureau's expectations in workload reduction with the implementation of BreEZe? If those expectations are not met, what is the Bureau's strategic plan to addresses workload issues relating to the Licensing Unit? What other improvements in efficiency can the Bureau make in processing license applications?*

The Bureau has also mentioned its method of cross-training staff and is in the development of a process and procedures manual to retain institutional knowledge. The Bureau should map out a specific timeline for completion of an administrative manual and an appropriate training procedure for its staff in the utilization of the manual before the implementation of BreEZe. To what extent does the Bureau aim to utilize an administration manual as a training tool?

Bureau's Response to Staff Recommendations:

The Bureau agrees that a workload and staff resource analysis is needed. The Bureau believes there will be reduced workload in the licensing unit following implementation of BreEZe. However, the Bureau is unsure if it will be sufficient to address the Bureau's overall workload related to the growing license population, making a workload analysis appropriate.

The Bureau has one of the largest licensee-to-staff ratios (8,897 licensees per employee) of the Department's boards and bureaus, and the licensee population is growing at the rate of about 2-3% per year. The Bureau currently utilizes temporary and permanent intermittent employees to help maintain the timely processing of applications. Additionally, Bureau staff is updating the licensing fact sheets on the Bureau's website to help reduce the number of calls and emails received; currently the Bureau fields 40,000 inquiries a month. The Bureau also developed comprehensive spreadsheets to help management adequately track and manage changing workload needs.

In spite of these efforts to enhance efficiency, the Bureau believes additional staff may be necessary to keep abreast of the growing workload. While BreEZe is anticipated to help with the growing workload related to the growth in licensees, the growth may still result in additional staff needs.

The Bureau's 2014-15 Strategic Plan identifies the completion of desk manuals in its licensing, enforcement and disciplinary unit by December 2015. To date, the Bureau has completed the desk manuals for all company licenses. These manuals will be an integral part of the Bureau's organizational change management efforts related to BreEZe.

ISSUE #4: (STRATEGIC PLAN) What is the status of the Bureau's strategic plan?

Background: The Bureau has not updated their goals and objectives. Their previous strategic goals for 2011-2013 (which can be found on the Bureau's website) are:

Goal One: Enhance and improve the Bureau's licensing processes by reducing timelines, cutting costs, creating efficiencies, and focusing on customer satisfaction.

1.1 The Bureau's goal will be to maintain a 30 day average or less timeframe for issuing new Security Guard licenses. (The average number of days for BSIS to issue a Guard Card in February 2013 was 19 days)

1.2 By March 31, 2012, launch new protocols to expand the Bureau's verification of applicant education, training, and experience. (Completed)

1.3 By June 30, 2012, BSIS will develop and implement a simplification of the process to apply for a business license. (Completed)

1.4 By June 30, 2012, BSIS will develop and implement a program to encourage and facilitate the licensure of Veterans for any of the licenses the Bureau regulates. (Completed)

1.5 By January 1, 2013, obtain a reduction in customer service call volume and hold times by a minimum of 20%. (Completed)

Goal Two: Enhance and expand Bureau Enforcement efforts, processes, and outcomes.

2.1 The Bureau's goal will be to maintain a 100 day average or better timeframe for closing enforcement investigations. (In January 2013, the average number of days for BSIS to work an investigation was 75.9 days)

2.2 By March 31, 2012, the Bureau will have an active citation program against unlicensed activity. (Completed)

2.3 By March 31, 2012, implement a program for monitoring the internet for unlicensed and unlawful activity. (Completed)

2.4 By June 30, 2012 December 31, 2013, complete a study of regulatory and legislative changes needed to current law that would result in clarity in business practices for licensees, higher precision in Bureau enforcement activity, and greater consumer protection. (Placed on hold until May 2013)

2.5 By June 30, 2012 December 31, 2013, develop and implement a plan to standardize and create efficiency to the Bureau's enforcement processes and protocols. (Placed on hold until May 2013)

2.6 By January 1, 2013, complete 60 training and education sessions with California local governmental agencies. The goal of these sessions will be to expand the reach of the Bureau's enforcement activities by providing these agencies with the tools and knowledge necessary for them to recognize violations of the Acts the Bureau regulates. (Completed)

Goal Three: Improve the Disciplinary Review and Appeal processes and cycle times.

3.1 By February 28, 2012, complete an internal review of current policies and processes to ensure that BSIS is able to manage the terms of probationary licenses. (Completed)

3.2 By June 30, 2012, complete a study of the Disciplinary Review Committee process to determine potential opportunities for process and policy improvements. (Completed)

3.3 By June 30, 2012, complete an analysis of the impacts of the process improvements implemented in July 2011 to the Denial Notification and Appeal procedures. The analysis will include an accounting of cycle time savings, efficiency gains, and recommendations for additional process improvements. (Completed)

3.4 By September 30, 2012 December 31, 2013, develop a program to monitor the workload progress and the associated costs of cases submitted to the ALJ for adjudication. (Completed a smaller review in 2012 but will be conducting a larger review in 2013)

Goal Four: Foster the Bureau's consumer and industry education and outreach efforts.

4.1 By June 30, 2012 December 31, 2013, develop and implement a plan to increase the communication and feed-back opportunities between the Bureau and the members of the industries it regulates. (Placed on hold until June 2013)

4.2 By June 30, 2012 December 31, 2013, develop and implement policies and processes focused on orientating all new licensees and registrants on the laws and regulations for their license or registration. (Placed on hold until June 2013)

4.3 By September 30, 2012 December 31, 2013, complete an outreach program for at least 3 different industry/professions to provide education on the Proprietary Private Security Act.

4.4 By January 31, 2013 December 31, 2013, conduct consumer education campaigns on the following topics:

- The dangers of hiring unlicensed individuals.
- Responding to door-to-door alarm sales.
- What to know when hiring a locksmith.

Goal Five: The Bureau of Security and Investigative Services will be a workplace that values people that work there, their career paths, and the potential for innovation that exists within each person.

5.1 By March 31, 2012 August 30, 2013, implement a training and education program for all Bureau employees with the goal of providing knowledge of BSIS and the industries it regulates, personal and professional development, and career path information.

5.2 By March 31, 2012 August 30, 2013, launch an internal BSIS mentorship and cross training program.

5.3 By March 31, 2012 August 30, 2013, launch an internal BSIS program that would develop policies and procedures that encourages, supports and acknowledges employee innovation and ideas.

5.4 By June 30, 2012 August 30, 2013, develop and implement a workplace program on conservation and reducing operational costs.

Staff Recommendation: *The Bureau should report to the Committees on the progress of updating its Strategic Plan, including the timeline for completion as well as strategies the Bureau will use to address new and existing issues raised through the Sunset Review process.*

Bureau's Response to Staff Recommendations:

The Bureau's 2014-15 Strategic Plan was completed late last year and is available on the Bureau's public website. The five goals detailed in the prior plan were retained in the current plan because they appropriately align with the Bureau's mission-critical activities and responsibilities.

The objectives in the current plan reflect the priorities the Bureau identified for the plan period based on the Bureau's current and anticipated operating environment. A common theme for the new objectives is to ensure Bureau staff are as operationally ready for BreZE as possible. BreZE will entail a significant organizational change in

the business practices of all of the Bureau's core regulatory activities -- licensing, enforcement and disciplinary -- and is reflected accordingly in the plan.

The Bureau's strategies to address the issues identified through the Sunset Review process include conducting a risk-based assessment and prioritizing development of implementation plans. The Bureau will work to make the changes that can be quickly and easily implemented. Those issues involving longer-range implementation plans will be considered in determining the Bureau's objectives for the new strategic plan, which the Bureau is scheduled to begin working on this coming October.

ISSUE #5: (REPORTING PRACTICES & INVESTIGATION OF INCIDENTS) Should the Bureau reform its current reporting and investigative practices of firearms incidents involving armed guards?

Background: The Bureau is not required by law to collect reports of shooting incidents involving armed guards. However, entities overseeing the actions of licensed armed guards are required to submit these reports. There is currently no legal basis for the Bureau to collect reports of firearms incidents involving armed guards.

Private Patrol Operators are mandated by BPC § 7583.2 to file an incident report with the Bureau when a firearm is discharged by a licensee, its qualified manager (QM), or one of its registrants, or when an act of violence occurs involving a licensee/QM/registrant that requires law enforcement to respond. It is unknown how many incidents that meet the criteria for reporting are not reported to the Bureau since this is a process that depends upon self-reporting. However, if an incident rises to the level of a licensee/QM/registrant being arrested, the Bureau should receive a subsequent arrest report from the DOJ. Specifically, the number of guard shooting incidents is currently unknown because of this self-reporting system and because the current Consumer Affairs System (CAS) does not categorize reports based on the type of incident. There is currently no consolidated database at the Bureau that can supply quantifiable information as to the incident type in which a report was filed.

The Private Security Act requires security guards and their licensed employer (Private Patrol Operator) to report an incident within 7 days of the incident occurring. The process of reporting an incident of an altercation with an armed guard, whether involving a firearm or not, begins with a Report of Incident Form (RIF). After an RIF is submitted an investigation can be initiated. The Bureau will also initiate an investigation if it receives information regarding an incident from law enforcement, a complaint, or a media article. After an investigation has been completed the Bureau can file both an administrative action and forward the case to the local District Attorney for potential criminal actions. If no criminal charges are pressed, then the licensee involved in the incident is subject to have their license revoked or suspended. If criminal charges are pressed, the Bureau will place a hold on the license until that license expires. The Bureau continues to pursue administrative action against the guard even if the convicted person is incarcerated to revoke the license. Administrative action by the Bureau is made public on the Bureau's website upon the filing of an accusation by the Attorney General's Office.

The Bureau prioritizes cases using public and/or consumer protection as the first and foremost criteria, and those cases with the highest potential for public harm are most

expeditiously addressed. The Bureau allocates its resources so that cases involving fraud and dishonesty, unlicensed activities, and illegal or unethical behavior are also addressed with timeliness and appropriately. Toward this effort, the Bureau handles complaints received in order to determine which should be handled by the Department's CRP, which should be handled by the Department's DOI, and which should be handled by Bureau enforcement staff.

Staff Recommendation: *The Bureau should provide the Committees with more information regarding the number and types of firearms incidents involving its armed guard licensees. The Committees may wish to direct the Bureau to develop new reporting protocols for shooting incidents that do not rely on the practice of self-reporting. The Bureau should report to the Committees on how long it takes for an incident to be reported, what the Bureau is doing to enforce the compliance of reporting incidents, the average timeframe for an investigation to be initiated and then completed, the training the Bureau provide its staff to handle the investigation process and whether there needs to be statutory clarification in order for the Bureau to continue to be able to protect consumers in this area.*

Bureau's Response to Staff Recommendations:

In addition to the incident reports from security guards and private patrol operators (PPOs), the Bureau relies on media stories, law enforcement tips, and complaints from the public or other licensees to initiate investigations of an armed guard discharging his or her firearm while on duty.

Because of the inability of the Bureau's current enforcement system to uniquely capture data on firearm incidents, the Bureau recently began manually tracking the violent incident reports and identified 54 from July 1, 2014 to March 1, 2015, of which 24 related to firearm discharges by an armed guard. Of these 24 cases, 11 are closed (two are pending issuance of a citation and nine involved no violation). Based on the information gathered in the investigation on the remaining 13 cases, the Bureau anticipates pursuing disciplinary action on six.

The average reporting time for the 24 cases is eight days with the shortest period being the same day and the longest 20 days. The average time for the Bureau to complete an investigation involving a firearm discharge is 90 days.

In regard to enhancing self-reporting activities, the current fine amount that may be imposed on a guard for failing to file an incident report is \$250 for the first violation and \$500 thereafter. The fine amount for a private patrol operator failing to file the report is \$500 for the first violation and \$1,500 thereafter. In Issue 6 of this Background Paper, Committees staff recommends conducting an analysis of the effectiveness of the Bureau's current citation and fine structures. As part of this analysis, the Bureau will consider whether these fines are in need of adjustment.

Local law enforcement is often the first responder to firearm shootings. The Bureau is exploring opportunities for enhancing reporting when a law enforcement officer encounters a shooting involving an armed guard, including partnering with the Bureau's Advisory Committee members who are affiliated with law enforcement to disseminate

information about the reporting requirements for security guards. Additionally, the Bureau recently created an email address exclusively for the electronic submission of incident reports to help facilitate timely receipt of the information. The Bureau is beginning to receive the reports through this process.

Bureau enforcement staff must complete the following training:

- Department of Consumer Affairs' Enforcement Academy (40 hours);
- Sacramento Regional Public Safety Training Center Regulatory Investigating Course (40 hours);
- Miscellaneous courses on conducting interviews and writing reports; and
- On-the-job training (i.e. shadowing a seasoned enforcement analyst).

The sections of law in the Private Security Services Act do not provide specific language pertaining to the requirement for private patrol operators to report violent incidents, nor clearly specify that failing to report an incident is a violation subject to a fine. The Bureau would be open to exploring the addition of clarifying language with the Committees.

Additionally, the Private Investigator Act lacks any incident-reporting requirement in spite of these licensees' ability to possess a Bureau Firearm Permit. The Bureau also would be open to exploring this issue further with the Committees.

ISSUE #6: (FINE & CITATION STRUCTURE) Should the Bureau update its existing fine and citation structures?

Background: The Bureau issues citations and fines as a means to encourage compliance with the laws and regulations of the six acts within the Bureau's oversight authority. Citations are issued for the less egregious violations because the primary intent is to encourage compliance as opposed to pursuing actions to revoke or suspend licensure. In egregious cases, citations and fines may be issued to enhance the disciplinary actions.

The Bureau's fine structure has not been updated in more than 20 years. Currently, failure to carry a Bureau registration card amounts to a \$10 fine and failure to carry a firearms qualification card is a \$25 fine. The average fine amount approximately \$1,330 pre-appeal and \$1,190 post-appeal.

The five most common violations for which the Bureau issued citations from April 2011 through December 30, 2013 were:

Unlicensed Activity	152
Administrative/Technical	97
Weapon Violations	35
Personal/Unprofessional Conduct	23
Contract Terms/Failure to Provide Services	7

Staff Recommendation: *The Bureau should conduct an analysis on how effective are the fine and citation structures in encouraging compliance. The Bureau should advise the Committees whether the current fine structure reflects the seriousness of the offense that warranted the fine or citation and if not, then how the fine structure need to be adjusted in order to encourage compliance or enhance the disciplinary action. The Bureau should also inform the Committees as to the administrative, investigative, and enforcement costs associated with the violation and whether the fine structure helps to mitigate any of these expenses.*

Bureau's Response to Staff Recommendations:

The Bureau agrees with the recommendations of the Committees. Many serious violations do not have fines set at the statutory limit of \$5,000. The Bureau does not believe the current fine amounts serve as a proper deterrent to misconduct, with several set so low that some businesses may consider them as a cost of doing business.

The Bureau identified more than 100 fines, some for serious violations, throughout the six practice acts set at less than \$100, with 35 set at \$25. The lowest fine amount identified is \$10. Another violation identified involves \$12 for the first ten violations.

The average cost of the Bureau's investigation is around \$1,500 with approximately \$400 related to the issuance of the citation. The low fine amounts do not offset the costs associated with the issuance of the citation. Also, these costs do not include the expense if the licensee appeals the fine to a Disciplinary Review Committee or through the administrative process. These appeal costs fall on the Bureau in the case of small and large fines alike, and are not mitigated with the current fine structure.

ISSUE #7: (UNDERGROUND ECONOMY) Can the Bureau adequately address the problems concerning unlicensed reposessor, locksmith, and alarm company activities?

Background: The Bureau lacks statutory authority to issue citations and fines for unlicensed reposessor activities. Repossession is the only license type in the Department that carries unenforceable provisions when unlicensed activity is found. Repossession agencies or agents who practice without licensure avoid licensing fees, fingerprinting, and background check requirements to obtain Bureau approval, and circumvent meeting the Bureau's standards regarding documentation and treatment of property. The Bureau must rely on the local district attorney to enforce the Collateral Recovery Act.

The Bureau has expressed that it is aware of online advertising by businesses providing services requiring a license, particularly locksmiths and alarm companies. In cases where the individual or business can be located, the Bureau educates them on the laws related to licensure or training requirements with a Pocket Guide that provides information on Bureau licenses, licensing requirements, and descriptions of unlicensed activities, and distributed them to law enforcement agencies statewide. However, it is not always possible to locate unlicensed businesses because of false addresses, names, aliases, and phone numbers listed on many of the false companies' websites.

The Bureau works with local law enforcement, District Attorney Offices, Employment Development Department (EDD), the Department of Insurance, and the Department of Alcohol and Beverage Control on enforcement activities targeting venues and events where violations of Bureau-related unlicensed activities frequently occur such as bars, sporting events, fairs and concerts to monitor compliance with the laws. Bureau enforcement staff has the authority to issue administrative citations for unlicensed activity with a fine amount up to \$5,000. Bureau enforcement staff forwards information to the EDD and Department of Insurance when encountering a business that is subject to one of the Bureau's practice acts and does not carry worker's compensation insurance, when a company is found to be paying employees in cash without maintaining a cash log, or potentially failed to pay appropriate employment taxes.

Staff Recommendation: *The Bureau should inform the Committees of the most effective means of enforcement the Bureau takes in addressing unlicensed activity, as well as the effectiveness of disseminating licensing requirements and information to businesses. The Bureau should advise the Committees on the compliance rate after the Bureau has given these businesses this information. The Bureau should also inform the Committees as to how it becomes aware of unlicensed activity and whether any statutory changes are necessary to enhance these efforts.*

Bureau's Response to Staff Recommendations:

Unlicensed activity cases are difficult to investigate since the businesses and individuals often cannot be located given that they are operating in a manner to intentionally elude regulatory oversight. In addition, complainants often lack sufficient identifying information about the unlicensed individual or business.

Two of the most effective enforcement tools to combat unlicensed activity are sting and sweep operations. Since the Bureau's enforcement employees are not sworn personnel, the Bureau relies on local law enforcement and state agencies with related regulatory oversight to conduct the sting or sweep, with Bureau staff available remotely to assist in confirming an individual's license status. Given the significant amount of time and resources required for these operations, the focus of these efforts has been public venues involving unlicensed guard activities as opposed to residential-related settings.

The Bureau believes that an effective deterrent to unlicensed activity related to locksmith, alarm and repossession activities is an informed consumer. Toward this end, the Bureau is working with its Advisory Committee to improve and enhance its consumer education efforts. The Bureau's locksmith and alarm brochures for consumers were discussed at a recent meeting and revisions were considered. Given that the Consumer Federation of California and Congress of California Seniors have members on the Committee, discussions were also held regarding strategies for utilizing their networking systems to disseminate the brochures. Similar efforts will be carried out for the Repossession consumer brochure in upcoming Committee meetings.

The Bureau is made aware of unlicensed activity through complaints/tips received from industry, consumers, and local law enforcement; news articles; in the course of the Bureau conducting other investigations; and searching business advertisements. If Bureau staff is able to locate the individual, he or she is educated on licensing

requirements and provided with a license application. If the individual has not filed a license application within a reasonable time, the Bureau follows up. If the individual has continued to participate in unlicensed activity, the Bureau will issue an administrative fine.

The Bureau's current enforcement database does not capture compliance rate information. However, based on a manual count, the Bureau identified about 400 unlicensed alarm, locksmith or repossession cases opened from July 1, 2012 to March 1, 2015. Approximately 40% of these cases lacked sufficient information for the Bureau to conduct an investigation. Of the cases for which an investigation was carried out, approximately 15% resulted in the entity obtaining a license, with the remaining cases involving either the issuance of a citation or the individual signing a declaration that he or she is discontinuing the activities for which licensure is required.

ISSUE #8: (LICENSURE SUSPENSIONS & HOLDS) Should the Bureau create new protocol to suspend or hold armed guard licenses in the event of an altercation or misconduct by a licensee?

Background: In the event of an altercation by or with an armed guard, involving or not involving a firearm, the Bureau does not have direct authority to hold or suspend the individual's license. The process to have an individual's license revoked is often slow, sometimes taking many months for an administration action to be completed even in the case that a criminal act is committed. The Bureau cannot take direct action against a licensee until a conviction is made, and the licensee continues to have the ability to work in that occupation. Convictions must also be substantially related to interfere with a person's ability to carry out the duties required as a condition of their license.

The Private Security Services Act authorizes the Bureau to automatically suspend the registration of a security guard, armed or unarmed, for the conviction of a substantially related crime. The Bureau can utilize the Penal Code 23 (PC23) hold, which allows the Bureau to request a judge to issue an order prohibiting the individual from working as a guard, armed or unarmed, pending the outcome of the judicial proceedings.

Staff Recommendation: *The Bureau should provide the Committees additional information about the tools that it needs to take action against licensees in a timely manner, ensuring that due process is followed.*

Bureau's Response to Staff Recommendations:

The Private Security Services Act authorizes the Bureau to automatically suspend a guard's registration if he or she is convicted of a crime. While the Bureau is notified by the Department of Justice (DOJ) of the conviction, the Bureau must obtain the court records in order to invoke the automatic suspension. The Act also requires the Bureau to automatically revoke a firearm permit upon notification by DOJ that the permit holder is prohibited from possessing a firearm.

The Private Investigator (PI) Act authorizes PI licensees to hold a Bureau firearm permit, but does not contain a specific provision for the Bureau to automatically revoke the permit if DOJ prohibits the licensee from possessing a firearm. The Bureau relies on the firearm permit provisions in the Private Security Services Act to automatically revoke

the firearm permit because of the PI Act's cross reference to these provisions. The Bureau has not experienced any compliance issues, but is open to discussing the potential need for explicit revocation authority language in the PI Act with the Committees.

The Alarm Company Act permits the Bureau to automatically suspend a license, including a firearm permit, if a licensee presents an undue hazard to public safety which may result in substantial injury to another (BPC Section 7591.8). The Bureau is open to discussing whether this provision should be added to any of the other Bureau's acts with the Committees.

ISSUE #9: (MENTAL HEALTH SCREENINGS & PSYCHIATRIC EVALUATIONS)
Should the Bureau require more stringent mental health screenings for the licensee populations with firearms permits, in particular armed guards?

Background: California does not currently require mental health examinations for armed guards. All applicant types, with the exception of proprietary private security employers, must submit their fingerprints to the Federal Bureau of Investigation (FBI) and Department of Justice (DOJ) for a criminal background check. The law does not provide the Bureau the authority to require Proprietary Private Security Employers to be fingerprinted.

Guards who apply for a BSIS Firearm Permit must submit a second set of fingerprints to obtain a DOJ Firearm Eligibility Determination. The DOJ Firearm Bureau advises the Bureau whether the individual may possess or is prohibited from possessing a firearm based on the applicant's prior criminal past or history of mental instability. Mental instability includes past restraining orders, suicide attempts, and 5150 psychiatric holds.

In addition, Bureau staff checks the Bureau's application and enforcement databases for any possible prior disciplinary actions, citations issued, or investigations related to the applicant. The application database is where Bureau enforcement staff would note an application hold. However, there is no national database for disciplinary actions for the industries under the Bureau's purview.

Staff Recommendation: *The Bureau should advise the Committee on what would be required for the implementation of new mental health screening protocols of its armed guard licensees, including an estimated cost of implementing this new screening procedure as well as the number of times a psychiatric evaluation be required during the lifetime or duration of the license. The Bureau should also inform the Committees about resources and mental health guidelines in place and available to an individual or entities involved in an incident involving an armed guard.*

Bureau's Response to Staff Recommendations:

There are approximately 45,000 issued Bureau Firearm Permits, with approximately 80% held by security guards. It should be noted that the Bureau is unaware of any investigation conducted to date involving an armed guard firearm incident that included an allegation of the mental instability of the guard. The armed guard firearm incidents

the Bureau has investigated have involved accidental discharges, law enforcement deeming the shooting justified, or the guard exercising poor judgment.

Incorporating mental health screenings into the firearm permit application process, whether utilizing a centralized provider similar to how the Bureau administers exams for licensure, or a decentralized process with approved independent psychologists, would create significant costs to the Bureau and may increase the processing times for firearms permits. However, without a sense of what the mental health screening program would entail, identifying implementation costs is difficult. Some initial expenses the Bureau would likely encounter include:

- Conducting an analysis to identify the appropriate evaluation examination;
- Establishing the vendor contract or contracts, if a decentralized system is determined the best approach, for administering the evaluations;
- Developing regulations;
- Programming costs to reconfigure BreEZe to capture and monitor applicants' clearance status;
- Additional staff to review the evaluation reports and carry out data entry activities;
- Research whether evaluation reports are HIPPA protected and determine if any special handling considerations are needed; and
- Research various program logistical issues including appropriate handling of appeals from applicant's with a "fail" evaluation, whether an applicant can obtain a second evaluation, and the period of time before an individual with a "fail" evaluation can reapply for a firearm permit.

The annual ongoing costs might include maintaining the vendor contract or contracts, and staff hired to review reports and enter data. The ongoing costs could be higher if psychological evaluations were required for renewal of the firearm permit. In addition, the cost of the evaluation, which would likely be a few hundred dollars, would be passed on to licensees. For reference, the average pay for an armed guard is about \$14 an hour.

It should be noted that because of BreEZe programming issues, the implementation of any mental health screening program would require delayed implementation.

In regard to the mental health resources available to armed guards and individuals involved in a firearm incident with an armed guard, the services are those generally accessible to any crime victim through local law enforcement crime victim programs, which are overseen by the California Victims Compensation Program.

ISSUE #10: (FIREARMS TRAINING: CURRICULUM) Should the Bureau create a more comprehensive curriculum for firearms training?

Background: In addition to the qualified manager (QM) examination requirements, certain license types are subject to Powers to Arrest and/or Firearms Permit training and examination. Security guards and responding alarm agents are required to pass the examination in the Bureau-developed Exercise of Powers to Arrest course. The applicant must receive a score of 100 percent on the examination in order to successfully complete the course. In addition, security guards, responding alarm

agents, and licensees who are authorized by their respective practice acts to possess a firearm in carrying out their regulated duties (Private Patrol Operator licensees and QMs, Private Investigator licensees and QMs, and Alarm licensees and QMs) must complete firearms training from a Bureau-certified firearms training facility/instructor as a condition for being issued a Bureau Firearms Permit. Bureau-certified training facilities are required to use specified course materials as provided by the Bureau.

To receive a Bureau Firearms Permit, an applicant is required to complete eight hours of classroom training that includes the moral and legal aspects of firearms use, firearms nomenclature, weapons handling, shooting fundamentals, and emergency procedures. In addition to the classroom training, applicants must also complete six hours of range training, which encompasses safety practices in handling and firing firearms. Licensees must requalify on the range twice a year in order to renew their Bureau Firearms Permit.

Staff Recommendation: *The Bureau should evaluate the comprehensiveness of the requirements to receive a Bureau Firearms Permit and inform the Committees whether these current training requirements adequately reflect the real life situations licensees will face. The Committees may wish to establish a standardized curriculum for licensees to receive a Firearms Permit and determine whether the Bureau should have more oversight over the training and course materials provided by the training facilities.*

Bureau's Response to Staff Recommendations:

The Bureau's firearms training course manual was developed by a task force of representatives from the Commission on Peace Officer Standards and Training, U.S. Department of Defense, local law enforcement, private security industry and the Bureau. The manual provides a standardized curriculum that Bureau-certified firearm instructors are required to follow in carrying out the firearm training.

The purpose of the training is to provide the student with an overview of the laws regarding firearms and the use of force and the avoidance of deadly force through classroom discussions, as well as practice in the proper carrying and use of a firearm. The training in the use of a firearm is designed to develop proficiency and accuracy and requires the student to achieve a specified target score for passage of the course.

While the manual requires the instructor to discuss the use of force and the avoidance of deadly force -- most notably, that an armed guard may only use a firearm if there is a clear and present danger to the life of the guard or another person -- there is no practical training requirement related to the application of these concepts. The Bureau is open to discussing this issue further with the Committees.

ISSUE #11: (FIREARMS TRAINING: TRAINERS & FACILITIES) Should the Bureau regulate firearms trainers and facilities more closely?

Background: BPC § 7585.3 specifies that any institution, firm, or individual seeking the Bureau's certification as a firearms training facility must complete an application that includes: 1) the name and location of the entity; 2) the places, days, and times the course will be offered; 3) an estimate of the minimum and maximum class size; 4) the

location and description of the range facilities; and 5) the names and certificate numbers of the Bureau-certified firearms training instructors who will teach the course. In addition, each owner or principal of the training facility business must complete a Bureau personal identification application form, pay the specified certification fee, and submit fingerprints.

Pursuant to BPC §§ 7585 and 7585.6, the initial and continued education firearms training course offered by a Bureau-certified firearms training facility must comply with the content and format specified in the Bureau's Firearms Training Manual. However, the firearm training facility is not required to provide its specific course materials to the Bureau for approval.

A Bureau-certified firearm or baton training facility, or Bureau-approved school that provides training to PPSOs or security guards does not need to be approved by BPPE in order to obtain the Bureau's certification or approval, unless BPPE's law requires that they be approved. The Bureau refers institutions to BPPE to verify their exemption from BPPE's law.

BPPE does not have jurisdiction over all institutions where the Bureau approves or certifies specific programs or trainings. Pursuant to California Education Code (CEC) § 94874, institutions that do not award degrees and solely provide educational programs for total charges of \$2,500 or less when no part of the total charges is paid from State or Federal student financial aid programs are exempt from the Bureau. Student financial aid includes State aid, Federal aid, and funds for the Workforce Investment Act program. The Bureau has a process whereby institutions can apply for a verification of exemption from the law.

There is no statutory requirement for the Bureau to inspect the approved schools and firearm/baton training facilities; however, the Bureau has the discretionary authority to do so. The Bureau carried out a firearm training facility pilot program in FY 2012–13 and conducted 15 inspections, but due to staff and workload issues, the inspections were discontinued. However, the firearm/baton training facilities and approved trainers are inspected as part of an investigation in response to a complaint. The Bureau has the statutory authority to suspend or revoke a firearm/baton training school's certification for violations of the law. Also, the Bureau has the ability to cancel the approval of an approved trainer.

Staff Recommendation: *The Bureau should outline its plans to finish inspecting the remaining firearms training facilities. The Bureau should also address whether these training facilities adequately provide the experience and strategies necessary to address the real life situations licensees will face and advise the Committees whether it should have more oversight over the training and course materials provided by the training facilities. The Bureau should provide information to the Committees on the number and type of complaints that have been filed against firearm/baton training schools and what administrative actions or protocols are currently in place to regulate these schools and bring them into compliance.*

Bureau's Response to Staff Recommendations:

The Bureau recently assessed how it could carry out its compliance activities more efficiently and identified the utilization of onsite inspections concentrating on specified statutory requirements. The intent of these inspections is to provide education; however, significant findings of noncompliance will result in fines as well as the initiation of a full investigation. These initial efforts are focusing on private patrol operators (PPO), firearm training facilities, and Bureau-approved security guard training providers with the goal of completing 20-30 inspections monthly.

The Bureau began the PPO inspections in January of this year, with 30 completed to date, and inspections of Bureau firearm training facilities are beginning this month. The Bureau anticipates completing the inspections of the training facilities within the next 24 to 30 months.

In spite of this effort, the Bureau is evaluating whether additional enforcement staff may be needed to keep abreast of the increased workload resulting from the growing licensee population (approximately 2-3% annually). There are currently about 336,000 company and employee licensees, and eight analysts in the Enforcement Unit who are responsible for conducting the Bureau's investigations and license site inspections.

The Bureau's Firearm Training Manual provides a standardized curriculum that Bureau-certified firearm instructors are required to follow in carrying out the firearm training. However, as the Bureau stated in Issue 10, the curriculum lacks practical training related to use of force and the avoidance of deadly force and is open to discussing this issue further with the Committees.

The following reflects the number and types of investigations the Bureau has opened on firearm and baton training facilities for the specified fiscal years:

Type	FY 2012-13	FY 2013-14	FY 2015-16*	Total
Unprofessional Conduct	31	21	28	80
Fraud/Dishonesty	14	5	7	26
Unlicensed Trainer/Facility	6	6	5	17
Contractual	2	0	2	4
Health & Safety	1	1	1	3
TOTAL	54	33	43	130

* FY 2015-16 is through March 1, 2015

The Bureau utilizes inspections and investigations to verify training facility and instructor compliance with laws and regulations. When significant violations are found, the Bureau takes administrative actions that can include the issuance of a citation and fine, a civil penalty, or revocation of the facility/instructor certificate.

In regard to enhanced regulatory oversight of firearm instructors, a condition for obtaining Bureau certification is the possession of a police or security firearms instructor training certificate from the National Rifle Association (NRA), or a firearms instructor training certificate from a federal, state or local agency. However, there is no continuing education requirement for renewing the Bureau instructor certificate, nor is there a requirement for the individual to provide proof that he or she possesses a current NRA

or public agency certificate. The Bureau is not aware of any issues that have arisen as a result of these not being required, but is willing to explore the benefit of the instructors providing proof of continued proficiency with the Committees.

ISSUE #12: (FIREARMS TRAINING EXEMPTIONS FOR FEDERAL LAW ENFORCEMENT OFFICERS) Should the Bureau allow Federal Law Enforcement Officers to have the same exemptions from training that California Peace Officers are granted for the Bureau's Firearms Permit?

Background: The Private Security Services Act exempts specified peace officers from the firearm training required as a condition for issuance of the Bureau's Firearms Permit. Peace officers are already required to complete firearms training through their employing agency, hence the exemptions from the training required for issuance of the Bureau's Firearms Permit.

Active duty peace officers may apply to be an armed or unarmed security guard. However, to carry a weapon as a security guard, a peace officer must have on his/her person, while performing the duties of a security guard, either a written authorization from his/her primary employer (law enforcement entity) giving the peace officer permission to carry a weapon while performing the duties of a security guard or the peace officer must have an exposed firearm permit issued by the Bureau.

If the peace officer is unable to obtain the written permission from his/her primary employer (law enforcement entity) the peace officer must apply for the firearm permit. Most law enforcement entities will not give a peace officer written permission on their department letterhead to carry a weapon, off duty, while performing the duties of a security guard. Therefore, the peace officer must usually apply for the Bureau Firearms Permit. Specified active duty and level 1 & 2 reserve peace officers are also exempt from having to submit fingerprints for the security guard registration. However, a peace officer must submit fingerprints if the officer is also applying for the firearm permit. If the peace officer is only applying for the security guard registration they have the option of submitting or not submitting fingerprints. However, if they leave their primary employment with law enforcement (retired, quit, laid off, or fired) and have not submitted fingerprints they must notify the Bureau that they are no longer with law enforcement and return the security guard registration to the Bureau within 72 hours.

If they wished to continue working as a security guard they would have to reapply as a private citizen and complete the required training along with submission of fingerprints in order to obtain a security guard registration. Most peace officers, who work off duty as armed or unarmed security guards, prefer to submit fingerprints for both the security guard and the firearm permit. This allows a peace officer to retain the security guard registration and exposed firearm permit after the peace officer retires or changes employment status, and is no longer a sworn peace officer.

California does not recognize Federal Law Enforcement Officers as California peace officers. Therefore, any Federal Law Enforcement Officer would not qualify for the same exemptions mentioned above that California peace officers would be eligible to receive. Federal Law Enforcement Officers are also already required to complete firearms training through their employing agency.

Staff Recommendation: *The Bureau should inform the Committees to the requirements Federal Law Enforcement Officers should have to qualify for this exemption and whether there are any additional changes that would need to be made in order to clarify other exemptions for Federal Law Enforcement Officers who seek employment as an armed security guard. While California makes a clear and deliberate distinction between Federal Law Enforcement Officers and peace officers, it would be helpful for the Committees to know whether a policy to allow the same exemptions for Federal Law Enforcement Officers as with peace officers would affect other areas of licensure for this population within the scope of the Bureau.*

Bureau's Response to Staff Recommendations:

The Bureau believes the following requirements would be needed to establish an exemption for a federal peace officer from the Bureau's firearm training requirement:

- Establish a definition of a federal peace officer;
- Applicant satisfying the criteria for a federal peace officer;
- Applicant providing proof of current federal peace officer status;
- Applicant providing proof of his/her authority to carry a firearm in the course of his/her official duties; and
- Applicant providing proof of having successfully completed firearm training.

The Bureau does not anticipate a significant impact to other Bureau licensees as the federal peace officers who will seek this exemption are those working and/or living in California and already applying for the licenses. Exempting the Bureau firearm training requirement from eligible federal peace officers will not compromise the firearm proficiency of these licensees since they are maintaining their skills through their employers.

ISSUE #13: (EVERGREEN CLAUSE) Does the Bureau have adequate authority to require Alarm Companies to notify consumers of automatic renewal clauses in their contracts?

Background: Currently, Alarm Companies are exempt from specific disclosure requirements regarding automatic renewal provisions in their contracts, known as "Evergreen Clauses" or "Rollover Clauses". This clause in the contract allows for automatic renewal of the monitoring portion of the contract unless the customer cancels the contract in writing by the date indicated in the contractual agreement (normally 30 days before the contract ends). This clause, however, is not always apparent to the customer since Alarm Companies are not obligated to notify consumers of this contractual obligation.

Staff Recommendation: *The Bureau should inform the Committees whether alarm companies should be required to notify consumers of automatic renewal clauses in their contracts, whether any specific consumer complaints about the ambiguity or misunderstanding of automatic renewal clauses in their contracts have been raised and how the Bureau may enforce a notification requirement.*

Bureau's Response to Staff Recommendations:

The Bureau receives approximately 70 complaints per year related to Evergreen Clauses, which comprises 40% of all alarm company complaints received. Since these complaints involve a contractual agreement, the Bureau is frequently limited in what it can do for the consumer. The Bureau believes that alarm contracts should include a notice alerting consumers that the contract they are signing includes an automatic renewal clause and the terms of the clause.

Evergreen Clauses are common in alarm company lease agreements and monitoring agreements, with many involving three to five year automatic renewal terms. Since the clause is buried in a lengthy contract, the consumer is often unaware of its existence until he or she tries to cancel the contract, at which time they are advised that they are locked into the contract for the specified period. Additionally, the cancellation provisions are often difficult for the consumer to carry out since the notice must be delivered in a very narrow timeframe, only at a specified time before contract termination, and generally through a very prescriptive process.

The Bureau believes its enforcement efforts relating to Evergreen Clauses would be enhanced by amending the section of law relating to alarm contracts to require a disclosure in the contract as well as the authority for the Bureau to issue a fine for failing to provide the disclosure. Specifically, an alarm contract with an Evergreen Clause would be required to include a distinctive and readily visible disclosure at the top of the contract specifying that it contains an automatic renewal provision. The Bureau looks forward to working with the Committees on this issue.

ISSUE #14: (CONCEALED CARRY) Should Private Investigators have the ability to have concealed carry while carrying out an investigation?

Background: Currently, the Business and Professions Code (BPC §7500 of the Private Investigator Act) does not specifically prohibit Private Investigators (PI) to carry a concealed weapon while carrying out an investigation covered by the PI Act. There is some concern about the transmittal of information from the Bureau to licensees that a PI with a Concealed Carry Weapon (CCW) permit (Penal Code §26150) may not carry that concealed weapon while carrying out an investigation covered by the PI Act. The ambiguity within the B&P Code and the aforementioned information provided to licensees by BSIS has caused confusion among PIs.

Staff Recommendation: *The Bureau should provide the Committees with a background and basis for the informal opinion released on the issue of concealed carry for their PI licensees as well as information about the number of PI licensees also have a CCW permit and whether the issue of concealed carry has affected the ability of PIs to carry out their duties as a PI and their investigations. The Bureau should provide information to the Committees about the status of enforcement against PIs for carrying a concealed firearm while performing an investigation.*

Bureau's Response to Staff Recommendations:

The Bureau is unaware of any informal opinion by the Bureau on the issue of concealed carry for Private Investigator (PI) licensees. Further, the Bureau is unaware of any issues related to concealed carry that has affected the ability of a PI licensee to carry out his or her duties.

The Private Investigator Act specifies that no PI licensee shall carry or use a firearm unless he or she possesses a valid Bureau Firearms Permit. The Act does not provide an exemption to this requirement to a PI licensee who possesses a concealed weapons permit nor does it prohibit a PI licensee from possessing a concealed weapons permit. The Bureau Firearms Permit alone does not authorize the PI licensee to carry a concealed weapon.

If a PI wishes to carry a concealed weapon in the course of his or her official duties, he or she must have a BSIS Firearms Permit to satisfy the requirements of the Private Investigator Act in addition to a concealed weapons permit to satisfy the requirements of the Penal Code related to carrying a concealed weapon.

If the Bureau encountered a PI licensee who was carrying a concealed weapon in the course of his or her official duties without a Bureau Firearms Permit, enforcement actions would be pursued. The Bureau has not pursued any disciplinary actions against a PI licensee for carrying a concealed weapon when the licensee had a Bureau Firearm Permit.

ISSUE #15: (VETERANS EMPLOYMENT) Should the streamlined process of employing veterans in specific occupations in the Bureau be evaluated?

Background: The Bureau accepts military experience to satisfy specified experience required for licensure. The Bureau does not track the number of applicants who have applied for licensure using military training or experience to satisfy licensure requirements. However, the Bureau estimates that approximately 3 percent of the private investigator license applicants and approximately 5 percent of the private patrol operator license applicants have used their military experience to satisfy licensure requirements.

The Bureau tracks the number of applications received from veterans through its Veterans Come First Program. As of June 30, 2014, the Bureau has processed 5,554 veteran applications since inception of the program in May 2012.

The Veterans Come First Program is one effort by the Bureau to assist veterans in their transition from military service to civilian employment. This program offers priority services to veteran applicants and assists veterans by leveraging their transferable military experience and training in order to meet all or part of the Bureau's licensing qualifications. BSIS licenses covered by this program include: Security Guards, Proprietary Private Security Officers, Private Patrol Operators, Private Patrol Operator Qualified Managers, Private Investigators, Alarm Company Qualified Managers, Repossessor , Qualified Managers, Locksmith Operators, and Training Facilities and Firearm/Baton Instructors.

The BSIS Veterans Come First Program provides the following support for veteran applicants:

1. A unique line and email account and P.O. Box.
2. A staff person to support them through the licensing process.
3. Priority handling of their license applications.

Staff Recommendation: *Although the Bureau has taken great measures to help integrate veterans into the civilian work force, the Bureau should also evaluate the effectiveness of its veterans programs in fully supporting these individuals and what efforts the Bureau may take, in conjunction with other organizations and Bureau-licensed occupations.*

Bureau's Response to Staff Recommendations:

The Bureau has assisted many current and former military personnel to obtain a Bureau license through its Veteran's Come First Program. From October 2012 to February 2015 the Bureau has assisted 7,900 applicants with a Bureau registration and 145 applicants with a Bureau company license.

The Bureau furthered its efforts to assist current and former military personnel in 2013 by working with the California Military Department's Work for Warriors Program (WWP) to obtain its approval to provide the Power to Arrest training that is required for security guard registration, and the 32-hours of security guard training required within six months of registration. Per the WWP, it has provided the Power to Arrest training at various armories throughout the state and has trained over 200 military personnel to date.

The Bureau's Veterans Come First Webpage includes links to several entities that provide veterans assistance in finding employment including the California Employment Development Department and CareerOneStop Veterans Reemployment Program. Additionally, when contacted by employers interested in hiring current and former military personnel, the Bureau directs them to the WWP. The Bureau continues to explore other opportunities to assist military personnel's transition into industry jobs the Bureau regulates.

CONTINUED REGULATION OF SECURITY GUARDS, ALARM COMPANY OPERATORS, REPOSSESSORS, LOCKSMITHS, AND PRIVATE INVESTIGATORS BY THE CURRENT BUREAU

ISSUE #16: (SHOULD THE BUREAU BE CONTINUED?) Should the licensing and regulation of security guards, alarm company operators, reposseors, locksmiths, and private investigators be continued and be regulated by the Bureau?

Background: California's security guard, alarm company, reposessor, locksmith, and private investigator licensees are better served with oversight from the Bureau, and the public is better protected by Bureau regulation and accountability toward these professions. If the Bureau is eliminated, consumer safety and the greater public would be vulnerable to more predatory companies and armed guards who would not be held accountable with specific training requirements.

This is the Bureau's first Sunset Review and thus should have the opportunity to address new and existing issues raised within the Bureau as well as from the Committees. The Bureau and Department appear committed to working collaboratively with the Legislature and the Committees to find solutions moving forward in the regulation of this important industry.

Staff Recommendation: *Staff recommends that the Bureau's operations and Alarm Company Act, Locksmith Act, Private Investigator Act, Private Security Services Act, Proprietary Security Services Act, and Collateral Recovery Act be extended for four years and be reviewed at that time by the respective Committees of the Senate and Assembly. Recommend that security guards, alarm company operators, repossessioners, locksmiths, and private investigators continue to be regulated by the Bureau in order to protect the interests of licensees and the public and be reviewed once again in four years.*

Bureau's Response to Staff Recommendations:

The Bureau agrees with this recommendation and appreciates the opportunity to work with the Committees to enhance the effectiveness and efficiency of the Bureau's regulatory oversight activities. The Bureau is committed to protecting the welfare of Californians through strong licensing and regulatory oversight of the private security industries it regulates and believes the outcome of the Bureau's sunset review process will further these efforts.