

TITLE 16. BUREAU OF SECURITY AND INVESTIGATIVE SERVICES

NOTICE IS HEREBY GIVEN that the Bureau of Security and Investigative Services (Bureau) is proposing to take the action described in the Informative Digest. Any person interested may present statements or arguments orally or in writing relevant to the action proposed at a hearing to be held at:

**Department of Consumer Affairs
2420 Del Paso Road, Yosemite Room
Sacramento, CA 95834
Monday, June 15, 2015
10:00 a.m.**

Written comments, including those sent by mail, facsimile, or e-mail to the addresses listed under Contact Person in this Notice, must be received by the Bureau at its office no later than 5:00 p.m. on Monday, June 15, 2015 or must be received by the Bureau at the hearing. The Bureau, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

Authority and Reference: Pursuant to the authority vested by Sections 7515 and 7591.6 of the Business and Professions Code, and to implement, interpret or make specific Sections 7530, 7570, 7593.15, and 7599.70 of said Code, the Bureau is considering changes to Division 7 of Title 16 of the California Code of Regulations as follows:

INFORMATIVE DIGEST

A. Informative Digest

California Code of Regulations (CCR) Section 639

The Bureau needs to establish a processing fee through regulation for the assignment of a private investigator (PI) license pursuant to Business and Professions Code (BPC) Sections 7530 and 7570. BPC Section 7570(h) states that the fee may not exceed \$125. Therefore, the Bureau is seeking to set the fee at \$125 in this regulatory proposal. This will allow the Bureau to implement the newly enacted authority to assign a PI license.

CCR Section 641

The Bureau needs to establish a processing fee through regulation for the assignment of an alarm company operator (ACO) license pursuant to BPC Section 7599.70. BPC Section 7599.70(o) states that the fee may not exceed \$125. Therefore, the Bureau is seeking to set the fee at \$125 in this regulatory proposal. This will allow the Bureau to implement the newly enacted authority to assign an ACO license.

The following changes are being proposed:

Amend CCR Section 639 Private Investigator Fees

This Section is amended to add Subsection (f) which specifies that the fee for the assignment of a private investigator license is \$125 pursuant to BPC Sections 7530 and 7570.

Amend CCR Section 641 Alarm Company Operator and Agent Fees

This Section is amended to add Subsection (k) which specifies that the fee for the assignment of an alarm company operator license is \$125 pursuant to BPC Sections 7593.15 and 7599.70.

B. Policy Statement Overview/Anticipated Benefits of Proposal

CCR Sections 639 & 641

Adoption of the proposed amendment will enable the Bureau to implement the intended changes established by AB 1608 and SB 1077, resulting in licensing and business cost savings to PIs and ACOs, as well as smaller workloads for the Bureau. As a result, private investigation companies and alarm company operators will continue to conduct business without interruption, and the public will continue to benefit from their services, security and protection.

C. Consistency and Compatibility with Existing State Regulations

CCR Sections 639 and 641

During the process of developing these regulations and amendments, the Bureau has conducted a search of any similar regulations on this topic and has concluded that these regulations are neither inconsistent nor incompatible with existing state regulations.

FISCAL IMPACT ESTIMATES

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

Cost to Any Local Agency or School District for Which Government Code Sections 17500 - 17630 Require Reimbursement: None

Business Impact:

The Bureau has made an initial determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

AND

The following studies/relevant data were relied upon in making the above determination:

This regulatory proposal is establishing the fee for the assignment of both private investigator

and alarm company operator licenses pursuant to current law to allow private investigators and alarm companies to change their business structure more quickly and efficiently with the Bureau.

Cost Impact on Representative Private Person or Business:

The agency is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Effect on Housing Costs: None

EFFECT ON SMALL BUSINESS

The Bureau has determined that establishing an assignment fee for private investigators and alarm company operators so that they may change their business structure with the Bureau would not affect small businesses because this fee will be part of a more cost effective and efficient process to do so.

RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS:

Impact on Jobs/Businesses:

The Bureau has determined that this regulatory proposal will not have a significant impact on the creation of jobs or new businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

Establishing an assignment fee for private investigator and alarm company operator licenses will enable them to change their business structure with the Bureau and will make the process more cost effective and efficient for these types of businesses.

Benefits of Regulation:

The Bureau has determined that this regulatory proposal will have the following benefits:

Establishing an assignment fee will benefit PIs and ACOs because it will result in a licensing cost savings. Being able to assign a license will allow the ACO or PI to continue doing business without the break that is currently required to process a new application. It will also allow the ACO or PI to maintain their original license number. The Bureau will benefit because it will reduce new license processing workloads. Also, the public will continue to benefit from the services, security and protection provided by private investigation companies and alarm company operators, therefore enhancing the Board's mandate of promoting and protecting the interest of consumers.

CONSIDERATION OF ALTERNATIVES

The Bureau must determine that no reasonable alternative it considered to the regulation or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposal described in this Notice, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearing.

INITIAL STATEMENT OF REASONS AND INFORMATION

The Bureau has prepared an initial statement of the reasons for the proposed action and has available all the information upon which the proposal is based.

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations, and any document incorporated by reference, and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained at the hearing or prior to the hearing upon request from the person designated in the Notice under Contact Person or by accessing the Bureau's website at www.bsis.ca.gov.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS AND RULEMAKING FILE

All the information upon which the proposed regulations are based is contained in the rulemaking file which is available for public inspection by contacting the person named below. You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact person named below or by accessing the website listed below.

CONTACT PERSON

Inquiries or comments concerning the proposed rulemaking action may be addressed to:

Name:	Carl Beermann, Policy and Administration Analyst
Address:	2420 Del Paso Road, Suite 270 Sacramento, CA 95834
Telephone No.:	916-575-7072
Fax No.:	916-575-7287
E-Mail Address:	carl.beermann@dca.ca.gov

The backup contact person is:

Name:	Andrea Leiva, Policy and Administration Manager
Address:	2420 Del Paso Road, Suite 270 Sacramento, CA 95834
Telephone No.:	916-575-7022
Fax No.:	916-575-7287
E-Mail Address:	andrea.leiva@dca.ca.gov

Website Access: Materials regarding this proposal can be found at www.bsis.ca.gov.