



2016 Enacted Legislation

Below is a synopsis of the legislation enacted into law in 2016 that impact the Practice Acts regulated by the Bureau of Security and Investigative Services along with a brief explanation of the substantive changes for each bill.

NOTE: Unless otherwise specified, the provisions of the enacted legislation go into effect on January 1, 2017.

Alarm Company Act

[Senate Bill 1196](#) (Chapter 800) – This bill, authored by Senator Hill and signed into law on September 29, 2016, makes various changes to the practice acts regulated by the Bureau. The bill:

- Requires alarm agreements that include an automatic renewal provision involving a term of more than one month, to include a distinct disclosure – separate from the terms and conditions fo the agreement – advising the consumer that the agreement they are entering into includes an automatic renewal provision and it requires the consumer to sign or initial the disclosure as proof of having received the notification;
- Requires an alarm company operator (ACO) licensee organized as a limited liability company (LLC) to list the Bureau as a certificate holder on the Certificate of Liability Insurance, which it is required by law to maintain, for the purposes of the Bureau receiving notifications related to the policy status;
- Clarifies the Bureau's authority to automatically suspend an ACO license organized as an LLC for failing to provide the Bureau with proof of maintaining the required general liability insurance;
- Mandates the Bureau to investigate specified allegations involving firearms permit holders and authorizes the Bureau to request an emergency order against the permit holder through the administrative hearing process if, upon completion of investigation, the Bureau determines that the holder of the permit presents an undue hazard to public safety that may result in substantial injury to another;
- Clarifies that officers of a Bureau-licensed corporation, and officers and members of a Bureau-licensed Alarm Company Operator LLC cannot hold a Bureau Firearms Permit based solely on being an agent of the corporation or LLC. These individuals must hold a separate Bureau license that can be legally associated with a Bureau Firearms Permit.

SB 1196 was the legislative vehicle to address the issues and recommendations identified by the Senate Committee on Business, Professions, and Economic Development and the Assembly Committee on Business and Professions during the 2015 legislative sunset review, for the purpose of supporting and strengthening the Bureau's regulatory activities. The Joint Committee Oversight Hearing on the Bureau was held on March 18, 2015.

Collateral Recovery Act

[Assembly Bill 1859](#) (Chapter 509) – This bill, authored by Assemblymember Gallagher and signed into law on September 23, 2016, removes debt collection from the qualifying experience required to take the qualified manager examination. The bill also clarifies that the terms “repossession order” and “assignment” may be used interchangeably for the purposes of describing any written authorization to repossess collateral.

Private Investigator Act

[Assembly Bill 2632](#) (Chapter 333) – This bill, authored by Assemblymember Olsen and signed into law on September 13, 2016, allows experience gained as an investigative reporter conducting primary investigations as qualifying experience for the purpose of taking the qualified manager examination to obtain a Private Investigator license. The bill defines “primary investigation” as in-depth research and analysis of various sources, including public records, databases, archives, published and unpublished documents, witnesses, informers, whistleblowers, public officials, and experts to produce investigative projects.

[Senate Bill 1196](#) (Chapter 800) – This bill:

- Requires a private investigator (PI) licensee organized as a limited liability company (LLC) to list the Bureau as a certificate holder on the Certificate of Liability Insurance, which it is required to maintain, for the purposes of the Bureau receiving notifications related to the policy status;
- Clarifies that a licensee or the qualified manager of a PI license who possess both a BSIS firearms permit and a California concealed weapons permit (CCW) may carry a concealed firearm when performing the duties of a PI licensee if they meet certain specified conditions;
- Cleans up two sections of the Act to clarify that the qualified manager of a PI applicant for licensure must sign the application form, and that a PI licensee organized as a LLC must notify the Bureau of any changes in its managing members or officers within 30 days;

- Mandates the Bureau to investigate specified allegations involving firearms permit holders and authorizes the Bureau to request an emergency order against the permit holder through the administrative hearing process if, upon completion of investigation, the Bureau determines that the holder of the permit presents an undue hazard to public safety that may result in substantial injury to another;
- Clarifies that officers of a Bureau-licensed corporation, and officers and members of a Bureau-licensed Private Investigator LLC cannot hold a Bureau firearms permit based solely on being an agent of the corporation or LLC. These individuals must hold a separate Bureau license that can be legally associated with a Bureau firearms permit.

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Private Security Services Act

[Senate Bill 1196](#) (Chapter 800) – This bill:

- Extends the exemption for specified California peace officers from the training requirements for an initial Bureau-issued security guard registration and an initial and renewal of a Bureau-issued firearms permit to include specified federal qualified law enforcement officers;
- Requires a private patrol operator (PPO) licensee organized as a limited liability company (LLC) to list the Bureau as a certificate holder on the Certificate of Liability Insurance, which it is required to maintain, for the purposes of the Bureau receiving notifications related to the policy status;
- Requires the Bureau to inspect a firearms training facility within 120 days of licensure and to maintain a program of random and targeted inspections of all Bureau-certified firearms training facilities;
- Clarifies that a PPO licensee must report to the Bureau any violent incident involving a guard employee including those involving the discharge of a firearm, within 7 days of the incident;
- Mandates the Bureau to investigate specified allegations involving firearms permit holders and authorizes the Bureau to request an emergency order against the permit holder through the administrative hearing process if, upon completion of investigation, the Bureau determines that the holder of the permit presents an undue hazard to public safety that may result in substantial injury to another;

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- Clarifies that officers of a Bureau-licensed corporation cannot hold a Bureau firearms permit based solely on being an agent of the corporation. These individuals must hold a separate Bureau license that can be legally associated with a Bureau firearms permit.

Effective January 1, 2018, SB 1196 requires a security guard applying for an initial BSIS firearms permit to be found capable of exercising appropriate judgement, restraint, and self-control for the purposes of carrying a firearm during the course of their guard duties. The determination will be carried out via an assessment administered by a third-party vendor selected by the Bureau. The cost of the assessment will be borne by the applicant; however, a designee or the applicant's employer may elect to cover the costs of the assessment.

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Legislation Impacting All Practice Acts

1. [Senate Bill 1196](#) (Chapter 800) – This bill revises various fine amounts and civil penalty amounts.