

Bureau of Security and Investigative Services
Advisory Committee Meeting Minutes
For July 2, 2015 Meeting

Department of Consumer Affairs
1625 North Market Blvd.
Sacramento, CA 95834

Industry Members Present

Simon M. Cruz, Jr. (Firearm/Baton Training Facilities)
Marcelle L. Egley (Repossessor Industry)
Sandra L. Hardin (Locksmith Industry)
Matthew J. Lujan (Private Patrol operator/Security Guard Industries)
Thomas M. Uretsky (Proprietary Private Security Industry)
Tim B. Westphal (Alarm Industry)

Public Members Present

James B. Gordon, Jr. (Consumer Federation of California)
Mark T. Franke (California Sheriff's Association)
Nancy Murrish (Congress of California Seniors)

Members Not Present

Aaron "Riley" Parker (Private Investigator Industry)
Lynn S. Mohrfeld (California Hotel & Lodging Association)

Department of Consumer Affairs - Legal Staff Present

Shela Baker - Legal Counsel

Bureau Staff Present

Laura Alarcon – Chief
Connie Bouvia - Acting Deputy Chief/Licensing Manager
Andrea Leiva - Policy & Administration Manager
George Paddeck - Enforcement Manager
Adrienne Avitia - Supervising Program Technician, Licensing
Noreene Dekoning - Bureau Ombudsman
Jennifer Muñoz - Policy Analyst

Minutes Taken By

Jennifer Muñoz

1. Call Meeting to Order

Meeting was called to order by Bureau Chief Laura Alarcon at 10:07 am.

2. Roll Call/Establish Quorum

Roll was taken and 8 committee members were present. Quorum was established.

Note: Committee member Marcelle Egley arrived after roll call. Accordingly, 9 members were present at the Meeting.

3. Approval of Minutes from February 5, 2015

Committee Member James Gordon, Jr. made a motion to approve the minutes from the February 5, 2015 Advisory Committee Meeting. Committee Member Nancy Murrish seconded. The motion to approve the February 5, 2015 minutes passed on a 8-0 vote..

4. Bureau Chief's Welcome Remarks/Bureau News and Updates

Prior to the Chief's Welcome Remarks, Committee Member James Gordon, Jr. made a motion to reverse agenda items 11 and 12 for the meeting and for future meetings. Committee Member Mark Franke seconded the motion. The motion was adopted by a 8-0 vote.

Chief Alarcon provided a brief summary of the BreEZe system's capabilities and announced that the Bureau's release date to transition to the BreEZe system had been rescheduled with the expectation to go live in either January or February of 2016. Chief Alarcon went on to explain that extending the launch date would allow for a seamless transition. She further stated that Bureau staff continues to work to ensure data from the current licensing and enforcement systems transfer correctly into the BreEZe system. She also noted that Bureau staff continues to work to develop the look of the BreEZe online system to ensure it is user friendly.

Chief Alarcon announced that Bureau staff will begin testing the BreEZe system for refinements at the end of the summer and that Bureau staff will be going through change management efforts thereafter to prepare for the new business processes relating to the BreEZe system to help promote a positive transition.

Chief Alarcon also noted that the Bureau went through the Sunset Review process before the Senate Business, Professions and Economic Development Committee and Assembly Business and Professions Committee on March 18, 2015. She explained that the sunset process provides the Committees and their staff an opportunity to assess the Bureau's business processes and make recommendations for improvements, including proposing legislation to assist the Bureau to improve its business processes.

Chief Alarcon informed the Advisory Committee and audience that a copy of the Bureau's Sunset Report was available for viewing on the Bureau's website and that the report was a comprehensive assessment of all of the Bureau's regulatory activities. She went on to state that the Committees' background paper for the Bureau identified 16 issues to which the Bureau was required to respond, including:

1. Psychological evaluations of security guards applying for an exposed Bureau firearms permit;
2. Adequate training being provided by Bureau certified Firearm Training Facilities and Instructors; and
3. Reporting requirements of armed security guards when he/she discharges his/her firearm.

Chief Alarcon also provided a legislative summary identifying the bills impacting the Bureau and industries regulated by the Bureau.

1. Senate Bill 177 – Extends the sunset date to January 1, 2019 in the Alarm Act to allow companies to continue to be organized as a Limited Liability Company.
2. Senate Bill 468 – Is the Bureau's sunset bill and addresses issues which were identified during the Bureau's sunset review process.

3. Assembly Bill 281 – Proposes amendments to the Collateral Recovery Act including the establishment of a Disciplinary Review Committee for Repossession Agencies and their employees.
4. Assembly Bill 921 – Proposes amendments to the Private Investigator Act including the establishment of a Disciplinary Review Committee for Private Investigator licensees.
5. Assembly Bill 1042 – Proposes to clarify the definition of a Proprietary Private Security Officer in the Proprietary Private Security Act.
6. Assembly Bill 1097 – Amends the Alarm Act to incorporate electronic transactions rather than providing paper copies for each transaction.

Chief Alarcon then provided an update on the Bureau's exam development workshops. The review of the Private Investigator Qualified Manager exam was completed and use of the new exam will begin in September 2015. The review of the Private Patrol Operator Qualified Manager exam was completed and use of the revised exam began in 2014. Recruitment for Subject Matter Experts (SME) to participate in the development of the Repossession Agency Qualified Manager exam was currently under way and the Bureau was looking to recruit 20 SMEs to begin the exam development process. The Bureau anticipated beginning recruitment for the Alarm Company Qualified Manager exam development in July 2017.

Chief Alarcon addressed the Bureau's current application processing timeframes and stated that it is the Bureau's goal to process employee applications within 4 – 6 weeks but due to staff vacancies and an increase in applications being received, application processing timeframes were currently at 6 – 8 weeks. She noted that the Bureau had allowed staff to work overtime as well as redirected staff from other units to help process applications, which has led to a 5 – 6 week application processing timeframe. The Bureau had also begun posting information weekly about current application processing timeframes on the Bureau's homepage. Chief Alarcon clarified that the application processing timeframes posted online are from the date the Bureau receives applications from the DCA Cashiering Office.

Chief Alarcon informed the Committee and the audience that the Bureau is seeing repeated patterns in the types of deficiencies being received on applications and stated that current versions of applications should be used to minimize application deficiencies. She also encouraged subscribing to the Bureau's Interested Parties List since this is how the Bureau communicates updates with industry.

Public Comment on Bureau Chief's Welcome Remarks/Bureau News and Updates:
None

5. Review and Approve Revisions to Industry Brochures for Consumer Guides for Alarm and Locksmith Industries

Bureau staff Jennifer Muñoz presented sample copies of the Consumer Guide to Alarm Companies and Consumer Guide to Locksmith Companies for review and comment. Both guides incorporated the suggested edits the Advisory Committee provided on the guides to the Bureau at the February 5, 2015 meeting.

After the committee members discussed the content of the Consumer Guide to Alarm Companies, Committee Member Tim Westphal commented that the Consumer Guide to Alarm

Companies presented was a good first step at providing more information to consumers about the Alarm Industry. However, the Committee concluded that it may be a good idea in the future to draft another brochure with generic language about the more technical information in regards to the alarm industry.

Public Comment on the Consumer Guide to Alarm Companies:

None

Committee Member Tim Westphal made a motion to approve the Consumer Guide to Alarm Companies for distribution. Committee Member Thomas Uretsky seconded the motion. The motion to approve the distribution of the Consumer Guide to Alarm Companies passed on a 8-0 vote.

After the Committee discussed the content of the Consumer Guide to Locksmith Companies. Committee Member Sandra Hardin recommended changing the picture from a combination lock to a lock and/or key and Committee Member Nancy Murrish suggested making the font color of the "Requirements for Doing Business" section darker. The Committee agreed that a different picture for the locksmith guide would be a good idea but that the content of the guide was fine.

Chief Alarcon stated that the guides would be available to view and print from the Bureau's website once finalized.

Public Comment on the Consumer Guide to Locksmith Companies:

None

Committee Member Nancy Murrish made a motion to change the Consumer Guide to Locksmith Companies with the suggested picture and font color and approve it for distribution. Committee Member Sandra Hardin seconded the motion. The motion to make the noted changes and approve the distribution of the Consumer Guide to Locksmith Companies passed on a 9-0 vote.

6. Review and Discuss Potential Revision of Industry Brochure for Consumer Guide for Repossession Industry

Chief Alarcon informed the Committee that the Repossession Industry Consumer Guide was last updated in 2008 and the Bureau was looking to draft a new repossession agency consumer brochure with a design similar to that of the Alarm and Locksmith consumer brochures. Chief Alarcon presented the current Repossession Industry Consumer Guide to the Committee and noted that the current guide is big and bulky. Chief Alarcon then solicited ideas from Committee Members on what information from the current consumer guide would be most beneficial to include in the redesigned repossession consumer brochure.

The Committee determined that citing code sections in the redesigned consumer brochure would be useful; however, due to the nature of the actions being performed by the repossession industry the Committee questioned what information would be most useful to the consumer at the moment of repossession. It was noted that most consumers do not actively

seek out information regarding a repossession and only find themselves in need of the information once they are faced with a repossession. With that basis, the Committee discussed how to draft a brochure that would provide the consumer with the most useful information to determine which information from the Q&As should be in the brochure.

The Committee went through each question in the Consumer's Guide to Repossession Practices brochure and rated each Q&A with a: 1. Needs to be in the brochure; 2. Would like to have in the brochure; and 3. Not needed in the brochure. Below is a summary of the ratings by item:

1. Would you know what to do if a reposessor towed away your car, boat, motorcycle, or recreational vehicle (RV)? Rated a 3.
2. What is a repossession agency? Rated a 1.
3. Who can repossess a vehicle? Rated a 1.
4. How can I check someone's reposessor license? Rated a 1.
5. What does a contract have to do with repossession? Rated a 3.
6. What happens if I miss a payment on my loan? Rated a 3.
7. Can a vehicle be repossessed on private property? Rated a 1.
8. Can the reposessor take my vehicle if I am present? Rated a 1 or 2.
9. Does a reposessor's tow truck have to display business signs? Rated a 1 or 2.
10. What if I hide my vehicle so that it can't be repossessed? Rated a 3.
11. Does a reposessor have to notify the police or sheriff's office before repossession a vehicle? Rated a 3.
12. Does a reposessor have to notify the police or sheriff's office after repossession a vehicle? Rated a 1.
13. Does a reposessor have to notify me after repossession my vehicle? Rated a 2 – 3.
14. What happens to personal effects left in my vehicle? Rated a 1.
15. What happens if I don't claim my personal effects in 60 days? Rated a 1.
16. Will I be charged for storing personal effects left in the vehicle? Rated a 1.
17. Is the repossession agency responsible for vehicle damage as a result of the repossession? Rated a 3.
18. What happens to my personalized license plate if my vehicle is repossessed? Rated a 3.
19. How do I get my vehicle back and reinstate the contract? Rated a 1.
20. In some cases, you may not get your vehicle back at all. Rated a 1 and suggested to combine this information with the previous question.
21. What if I don't claim the repossessed vehicle? Rated a 3.
22. Be an informed consumer. Rated a 3.
23. To file a complaint against a licensed repossession agency. Rated a 1.

Chief Alarcon informed the Committee that the Bureau would attempt to include samples of the Repossession Agency license, Qualified Manager Certificate, Repossession Employee registration, and Temporary Repossession Employee identification.

Based on the amount of information the Committee concluded that there was possibly a need for two separate consumer repossession brochures, one to provide urgent information to the consumer regarding the repossession of his or her property at the time of repossession and another to provide follow-up information after the repossession has occurred. The Committee

also did not rule out a consumer FAQ regarding repossession practices to be placed on the Bureau's website.

Public Comment on the Consumer Guide for Repossession Industry:

None

7. Lunch

The committee adjourned for lunch from 11:55 am-1:00 pm.

8. Review and Discuss Potential Draft Language for the Creation of a Fact Sheet Publication for Law Enforcement

Chief Alarcon informed the Committee that during the Bureau's Sunset Review the Bureau committed to identifying alternative methods for the Bureau to become informed of incidents involving armed guards; specifically, incidents involving firearm discharges. She stated that Bureau staff had drafted an informational document to work toward partnering with and educating law enforcement on the Bureau's license types and requirements for reporting incidents.

Bureau staff Andrea Leiva presented the draft Law Enforcement Fact Sheet. She pointed out a few corrections that needed to be made to the document, noting that "distinctive uniform" needed to be added on the third bullet under the Security Guard section on the for conformance with the law. The Committee Members questioned whether or not "distinctive uniform" needed to be clarified because the general public would not know what that meant. The Committee Members also mentioned that there are variations to uniform designs so it would be beneficial for the Bureau to provide clarification on what constitutes a "distinctive uniform."

Shela Baker, Department of Consumer Affairs Legal Counsel, informed the Committee that the Bureau would be unable to define "distinctive uniform" without first going through the regulation process to provide a legal definition. To provide a definition without legal authority to do so would constitute an underground regulation.

The Committee Members further pointed out that there is no distinction between proprietary security and private security for Law Enforcement and the general public. A law enforcement officer would not know the difference between the administrative sections of the different Acts regulated by the Bureau and to provide law enforcement with information on punitive sections for which they can cite a security officer.

Chief Alarcon suggested the formation of a subcommittee to discuss the best approach for presenting the information to law enforcement and reminded the committee that this was allowed so long as there was no communication with the Bureau on the subject.

Public Comment on the Discussion of the Draft Language for the Fact Sheet Publication for Law Enforcement:

None

9. Discuss Repossession Industry Skip Tracing Model and Use of Third Party Forwarders

Committee Member Marcelle Egley informed the Committee that the use of third party forwarders in the Repossession Industry was growing and creating some concern within the industry. Committee Member Egley stated that banks were beginning to utilize third party forwarders rather than contracting directly with the Repossession Agency to locate and repossess a vehicle.

Third party forwarders would then provide several Repossession Agencies (RA) with information regarding a repossession order from the bank rather than working with one RA. Committee Member Egley stated that this potentially posed a safety risk if one RA attempted to repossess a vehicle and was met with a violent debtor and then another RA attempted to repossess the same vehicle without knowledge of the first repossession attempt. There was also an issue with the third party forwarder requiring the RA to use skip tracing to locate a vehicle, not paying the RA for the service, but then passing along the charge for the use of skip tracing to the debtor.

Chief Alarcon indicated that the Bureau and Committee should continue to leave the discussion open and to learn more about how third party forwarders fit into the Bureau's regulatory scheme.

Public Comment on the Discussion of Repossession Industry Skip Tracing Model and Use of Third Party Forwarders:
None

10. License Renewal Pitfalls

Chief Alarcon addressed licensing renewal application deficiencies and provided suggestions on how licensees could avoid these deficiencies.

- Applicants must submit their registration renewals at least 60 days prior to expiration. This period of time is required by law and allows the Bureau time to process the renewal.
- Applicants should not wait to submit their change of address to the Bureau until the time of renewal because it can delay the processing of the license. Applicants should notify the Bureau of their address changes timely. Every Practice Act the Bureau regulates states that licensees need to notify the Bureau of an address change.
- Applicants should pay the correct renewal fee payment. Application renewals postmarked after the license expiration date are delinquent and subject to a delinquency renewal fee. A renewal application submitted with insufficient fees will delay the processing of the renewal.
- Applicants must sign the renewal form. The attestation language on the security guard renewal form was recently updated so the Bureau would like to ensure the individuals are reading the language and providing the required signature when submitting the renewal. The attestation signature is required by law.

Chief Alarcon stated that the Bureau routinely receives calls from security guards stating that their renewal has been processed but that they have not yet received their license. She noted that security guards are allowed to work with a web printout of their license showing the new expiration date along with a valid photo ID while waiting to receive their security guard registration card in the mail.

Committee Member Uretsky asked if a Proprietary Private Security Employer could submit the license renewal payments on behalf of its employees and have the company address listed as the employees "home address" so that the license would go to the company. BSIS Licensing Supervisor, Adrienne Avitia provided a response stating that an individual could indicate the company's address as the address of record and their personal address as a secondary address. However, potential issues could arise in the instance of an initial application if the application is deficient and BSIS notified the applicant of such. BSIS would want to ensure the applicant is getting the information about the deficiency timely.

Chief Alarcon informed the Committee that the Bureau would be posting the information online and sending an email to interested parties regarding how to avoid renewal deficiencies.

Public Comment on the Discussion of License Renewal Pitfalls:

None

11. Public Comment on Items Not on the Agenda

None

12. Committee Members Comments on Potential Items for Future Advisory Committee Meetings

- Committee Member James Gordon requested a discussion regarding how the Bureau issues licenses. This request stemmed from an email Mr. Gordon received in which it was alleged that the Bureau issued Private Investigator licenses to felons. Mr. Gordon was informed by DCA Legal Counsel Shela Barker that only general situations could be discussed at meetings and not specific individuals or cases.
- Committee Member Simon Cruz requested clarification on calibers for firearm permits.
- Committee Member Matthew Lujan requested a discussion regarding SB 468 and how the proposed psychological evaluations are going to affect the security guard industry and how the industry should prepare for that.
- Committee Member Simon Cruz requested a discussion regarding the approved method of carrying a firearm and whether the Bureau requires training on carrying a firearm in a tactical manner such as utilizing a vest holster.
- Committee Member James Gordon requested a discussion regarding the top complaint issues the Bureau receives.

13. Adjournment

Committee Member James Gordon made a motion to adjourn the meeting. The motion was seconded by Committee Member Marcelle Egley. The motion to adjourn the meeting passed on a 9-0 vote and the meeting adjourned at 2:42 pm.