



Bureau of Security and Investigative Services
Advisory Committee Meeting Minutes
For **August 15, 2024, Meeting**
WebEx Teleconference Meeting

Industry Members Present (All Remote)

Shannon Beritzhoff (Alarm Industry)
Frank Huntington III (Private Investigator Industry)
Darren Morgan (Public Member)
Chris Sayers (Proprietary Security Industry)
Leon Scroggins (Repossession Industry)
Angel Yanez (Training Facility Industry)
Glenn Younger (Locksmith Industry)

Bureau Staff Present

Lynne Jensen – Chief
Samuel Stodolski – Assistant Chief
Andrea Dailly – Deputy Chief of Licensing
Kerry Ortman – Policy and Administration Unit Manager

DCA Staff Present

Korrina Moreno – Department of Consumer Affairs (DCA) Consumer Information Center
Suzanne Balkis – DCA Fiscal Office, Budget Manager

Minutes Taken By

Valerie Peterson – BSIS Policy Analyst

1. Call to Order / Roll Call

Chief Jensen asked all present Committee members and BSIS staff members to introduce themselves. The Chief reminded the attendees about the meeting schedule, which includes three meetings a year, two of which have been held virtually pursuant to the Bagley-Keene Open Meeting Act. The month of November has been chosen, as the timing is conducive to the bills being signed, allowing the Bureau to provide updates. The legislature is winding down into their last two weeks and the Bureau's Sunset Bill (SB 1454) is currently moving through the legislature.

The meeting was called to order at 10:07am by Chief Lynne Jensen. BSIS Policy Analyst, Valerie Peterson, called roll.

Chief Jensen discussed recent queries being brought to the Bureau's attention. There have been many, recent changes and laws being passed in the private security realm, and it was clarified that the Bureau does not go to the legislature and ask for these bills. BSIS is a completely dependent Bureau within DCA so we do not sponsor legislation; rather, we receive guidance from the legislature, implement, and follow the laws that are passed. Chief Jensen encouraged the public to reach out to the Bureau with questions about implementation issues via email at bsis@dca.ca.gov.

2. Review and Approval of Advisory Committee Meeting Minutes from April 18, 2024, November 16, 2023 and August 17, 2023

At 10:12am, a motion to accept the minutes from the meetings of August 17, 2023, November 16, 2023 and April 18, 2024 was made by Leon Scroggins with Frank Huntington providing the motion to second. 5 in favor/0 opposed/2 absent. Motion passes for all three previous meetings.

Chief Jensen opened the floor to the committee members for any questions about the previous meeting minutes. Q&A was closed with no questions from the committee members.

3. Department of Consumer Affairs Executive Update

At 10:15 am, Chief Lynne Jensen welcomed department updates from Korrina Moreno with the Department of Consumer Affairs' (DCA) Consumer Information Center.

Korrina welcomed Shannon Beritzhoff and Angel Yanez to the Committee and thanked all members for serving to protect the public. The Department of Finance (DOF) has issued Budget Letter 2420 - Vacancy Savings and Position Elimination implementing the Governor's proposal to reduce the State workforce by 10,000 positions and \$1.5 billion. The budget reduction will be effective starting 2024-2025 and will be ongoing, while position eliminations will be effective starting 2025-2026 and will also be ongoing. Reductions will impact Boards and Bureaus and DCA will share more information from DOF as information becomes available.

Korrina announced that the Governor's Office appointed Secretary Myriam Valdez-Singh to the Department of Financial Protection and Innovation as Deputy Commissioner of Legislation. Going forward, Deputy Appointments Secretary Curtis Lang, will oversee appointments for Healing Arts Boards and Assistant Deputy Appointments Secretary Aubrey Anthony, will oversee the non-Healing Arts Boards.

Korrina moved on to share that Senate Bill (SB) 553 became effective in January 2024 and amended the CA Labor Code to require CA employers to develop and implement a workplace violence prevention plan and train all employees by July 1, 2024. DCA has updated all current workplace violence prevention policies to include the requirements

of SB 553 and developed an annual workplace violence prevention training, located on DCA's Learning Management System (LMS). Training is mandatory for all employees, including Board and Bureau members, and must be completed by August 30, 2024.

Korrina also announced that Board Member Orientation Training (BMOT) will be held on October 22, 2024. Board members must complete this training within one year of appointment or re-appointment. BMOT will be offered virtually, and the October date will be the last training of the year. Board members can register via LMS.

Next, Korrina moved on to discuss the Licensing Resources Webinar for Military Servicemembers and their families. On July 31, 2024, DCA participated in a virtual military licensing webinar hosted by Navy Region Southwest. The webinar showcased DCA military licensing resources to active-duty military, veterans, and military spouses throughout CA and Nevada Navy bases.

Korrina shared that DCA's Diversity, Equity and Inclusion (DEI) Steering Committee met on July 26, 2024. Included in the meeting were discussions on DEI training, development of a workforce development survey from a DEI perspective, expanding language access, and DEI activities for inclusion in a DCA Annual Report. This will be the second year the DEI Committee is memorializing the Department's DEI activities in the Annual Report which is provided to the Administration and the Legislature. The annual report will be available early next year and can be shared by the Bureau Chief. The next DEI Committee meeting will be on October 25, 2024, please share any ideas with Chief Jensen.

Lastly, Korrina reiterated that Boards and Bureaus are urged to continue to be vigilant about potential phishing attempts and deceptive emails, texts, and calls to trick employees into revealing sensitive information or installing malicious software. Any attempts should be reported immediately to the Bureau Chief or DCA's Office of Information Security (OIS).

Chief Jensen opened up the floor for questions from the Advisory Committee members regarding Korrina's update. There were no questions from the Advisory members.

Chief Jensen then opened up public comments and questions regarding the information that Korrina presented. There was no public comment.

Chief Jensen then welcomed Suzanne Balkis, DCA Budgets Manager, with the DCA Budget Office. Suzanne presented the Bureau's expenditure projections and the fund conditions statement.

Chief Jensen explained noted that the Bureau's reserves are trending downward. She highlighted that in a few years, without any action, the Bureau will be in the red. In response to this trend, the Bureau is working on a fee increase via a regulatory package, which will be addressed in agenda item 8.

Chief Jensen opened up the floor to Advisory Committee members for questions to Suzanne Balkis. Frank Huntington asked what an acceptable target amount of months

in reserve should be? Suzanne responded that typically between 6-12 months is where the DCA Budget Office likes to see the reserve for Boards and Bureaus.

Chief Jensen then opened up the meeting to public comments. There were no public comments.

Chief Jensen thanked Korrina and Suzanne for attending and presenting.

4. Bureau Chief's Introduction, Welcome Remarks, and Bureau Updates

At 10:33 am, Chief Jensen welcomed all and expressed her gratitude for their patience navigating through the approval process. The Committee Members were thanked for their attendance and for volunteering their time.

Chief Jensen mentioned that the Bureau is currently in the Sunset review process which ties into suggestions the Bureau has been receiving about oversight. At the last Advisory meeting, it was suggested that an oversight board be created to oversee the Bureau. Chief Jensen noted that oversight is the Legislature and that the Bureau is currently going through a vigorous, eight-month review process in the form of a 1,000-page report. If there is an issue with the Bureau or a law changed that you do not agree with, please contact the Legislature.

Chief Jensen reiterated to email into the Bureau with questions instead of calling, as the calls go to the DCA Call Center, not BSIS employees. The email will be directed to the subject matter expert for that topic or profession within BSIS.

Chief Jensen mentioned that the vacancy rate at BSIS has dropped from almost 30% to currently having approximately 3 vacancies. The Governor has issued an order to eliminate vacancies the next budget year.

Asst. Chief Sam Stodolski added that the Bureau spent last year updating firearms training and Power to Arrest and Appropriate Use of Force training, which consumed many hours. Current training manuals are available on the BSIS website.

Chief Jensen mentioned the disclaimer that the information on the BSIS website, like many other State websites, can fall out of date. Please email the Bureau for the most up to date information.

Chief Jensen opened up the floor for questions from committee members. There were no questions.

Chief Jensen then opened it up for public comment and questions. There were no questions.

5. Update on the Bureau's Licensing Unit

At 10:44 am, Chief Jensen handed over the Licensing update to Deputy Chief of Licensing, Andrea Dailly, who presented for the first time for the Licensing unit.

Deputy Chief Dailly provided staffing information for the Licensing Unit. Then she presented the numbers of applications received for FY 2023-2024 from the 3 areas of licensing, and was proud to announce that all three licensing units achieved their target processing times.

Andrea welcomed questions from the Advisory members. Frank Huntington asked whether the PI number is the current number of licensees in the state of PIs and PIQMs? Andrea answered that the current number shown is just the PI total at this point. The PIQM total won't be included until next year when it becomes its own license.

Chief Jensen opened the floor for public comment. There were no questions.

6. Update on the Bureau's Enforcement Unit

At 10:49 am, Chief Jensen brought back Asst. Chief Stodolski to give the Enforcement update.

Asst. Chief Stodolski announced that the current Deputy Chief of Enforcement, Ruby Montoya, will be retiring after 42 years of service at DCA at the end of September. Asst. Chief Stodolski reviewed the staffing numbers for Enforcement and outlined each Enforcement area's duties and upcoming priorities. Currently, 30% of pending investigations are for unlicensed activity and 56% of citations are for unlicensed activity. There are new staff in Enforcement that are being trained.

Asst. Chief Stodolski was in Riverside for two days of Disciplinary Review Unit (DRU) hearings for private security. Almost 30 appellants came through in 2 days and 6 of them were guard applicants who were denied a license that were currently working security.

Chief Jensen opened the floor for committee member questions. Leon Scroggins asked whether the Bureau receives reports of reposessor unlicensed activity that the Bureau is unable to investigate due to reposseors being exempted? Asst. Chief Stodolski answered that he doesn't see it as much in the repossession field, that the issue that comes up are forwarding companies and the grey area of what they are engaging in and whether they need to be licensed. Reposseors do not make up a large portion of the unlicensed activity citations. Leon asked whether the Bureau has a set standard of what they're looking for when requiring licensure from a forwarding company, whether there are written descriptions or criteria? Asst. Chief Stodolski answered that it depends on the totality of what they're doing.

Frank Huntington asked whether there is a way to let CALI know what types of complaints come in for PIs so that they can inform their members, educate them, and reduce the number of complaints coming into the Bureau? Asst. Chief Stodolski mentioned that the Sunset report will look at trend allegations for the past 4 FYs and the Bureau will work with staff. Chief Jensen brought up that the Bureau is starting to see an uptick regarding PTA/AUOF questions and citations.

Chief Jensen opened up the floor for public comments. A member of the public had a question about PI complaints on the August 2023 Staff Report. She asked what constitutes unlicensed activity? Asst. Chief Stodolski clarified that the percentages are a breakdown of unlicensed citations issued and that the total number of complaints having to do with PIs can include licensees and unlicensed activity, as well. There were no further public comments.

7. Update on Legislation Impacting the Bureau and Private Security Industries

At 11:01 am, Chief Jensen introduced Kerry Ortman, Policy and Administration Unit Manager, whose unit tracks legislation, regulations, and policy changes impacting the Bureau. Ms. Ortman presented the legislative update.

Chief Jensen opened the discussion for comments and questions from Committee Members. Leon Scroggins asked what constitutes AB 2228 as dead, as the legislative tracker shows it still in Committee. Chief Jensen responded that at times, for some bills, there is legislative insight that comes into play which makes it less black-and-white. There are deadlines in the legislature so if the bill doesn't make it out of committee by X date, it's considered dead. All bills should either be in appropriations, or it should be on the floor, at this point. If not, it's usually considered dead. Sometimes, the bills get resurrected at the last minute with an amendment. Leon asked to confirm that the author is going to try to put a portion into SB 1454. Chief Jensen confirmed that that was the information that was given to BSIS from the author's office. Leon Scroggins then inquired about SB 2120 and Chief Jensen mentioned that it currently is on suspense file today and being watched whether it makes it off of suspense. Suspense being a fiscal net, as all bills that cost over a certain amount of money depending on budget threshold, are held there. Chief Jensen informed the attendees that it is a myth that the Bureau determines the costs of the bill. On the contrary, the Bureau must determine the workload increase in each bill and justify with a workload analysis. The preliminary, fiscal glance at AB 2120 looked like it would cost the Bureau at least one more position to evaluate the increase of complaints that would result from this bill. Leon then asked about the Sunset bill and repossession industry being put back in where the repossession industry can be fined for unlicensed activity? Chief Jensen confirmed and pointed out that the staffer saw the exclusion as a consumer safety issue and included it back in.

Chief Jensen then invited public comment. The President of CA Association of Licensed Repossessors (CALR) brought up concern about AB 2120 and wanted to address the concerns raised with CALR in regard to the consumer being harmed by auto repossession and the lender not taking the path of judicial process. This happened in June 2020 when Monique Lamone introduced AB 2501. The President of CALR mentioned that the consumer will need to pay the judicial process and cannot redeem their vehicle from repossession after being a few months delinquent, so they then end up responsible for legal costs and also have to pay off the car. She welcomed questions to CALR regarding where they stand on the bill and judicial process. Chief Jensen

reminded Marcel that the public cannot participate in a back-and-forth conversation in this forum but will pass out approved contact information for CALR, if requested.

8. Update on Enacted or Pending Regulations

At 11:23 am, Chief Jensen asked Policy Manager, Kerry Ortman, to update the committee on current pending regulations and provide a brief history.

The fee increase discussion began with a fee audit in 2017 which provided a floor and ceiling range at the time. The Bureau chose closer to the floor in the interest of the licensee population; however, we have now reached the point where we need to increase fees.

Chief Jensen added that the proposed increase will be 10% which is consistent with the legislative authority the Bureau was approved for. The 2017 fee audit conclusion gave a range to increase so the Bureau chose middle ground, as the ceiling would have been too much at the time. The Bureau will now use the rest of the authority to raise the 10% that wasn't used before. The public will be noticed, as all regulations do, through OAL. Chief Jensen recommended signing up for email blasts on either website.

Chief Jensen opened the discussion to questions from committee members. Frank Huntington asked for clarification that the 10% increase is for all licenses, which Chief Jensen confirmed. Leon Scroggins asked for clarification whether the Bureau currently has authority to make the 10% increase or whether the Bureau needs to wait for the regulation to pass. Chief Jensen answered that the Bureau has authority but is currently going through the internal process and once approved, will be made public.

Chief Jensen then opened the meeting to public comment regarding enacted and pending regulations. A public member asked whether the fee increase will also include fines or citations? Chief Jensen answered that the Bureau only has authority to raise licensing fees.

There were no other public comments.

9. Public Comment on Items Not on the Agenda

At 11:29 am, Chief Jensen opened public comment for items not on the agenda, reminding the attendees that this session is just for items to be noted to discuss at a future meeting. There were no comments on this agenda item.

10. Committee Members' Recommendations for Future Advisory Committee Meeting Agenda Items

At 11:31 am, Chief Jensen opened discussion to committee members for recommendations on future Advisory Committee Meeting agenda items. Leon Scroggins asked whether next year's meetings will be the same format of two virtual and one in-person? Chief Jensen confirmed that the meeting format will remain, as it

seems to work well for those that are interested in attending but live elsewhere. The November meeting date in the future may be changed to avoid conference conflicts.

11. Adjournment

At 11:33 am, the Chief adjourned the meeting.