

Governor Brown signed Senate Bill 1196 (Hill) into law on September 29, 2016. This bill makes various changes to the practice acts regulated by the Bureau. Below are summaries of the changes made by the legislation. (**NOTE:** Unless otherwise noted all changes implemented by SB 1196 go into effect on January 1, 2017)

### **Private Security Services Act**

- Effective January 1, 2018, a security guard applying for an initial BSIS Firearms Permit must be found capable of exercising appropriate judgment, 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 this assessment.
- Current law exempts specified California peace officers from the training requirements for an initial Bureau guard registration and an initial and renewal of a Bureau firearms permit. This bill extends these exemptions to specified federal qualified law enforcement officers.
- Current law requires a Private Patrol Operator (PPO) applicant for licensure and licensee to maintain a one million dollar (\$1,000,000) general liability insurance policy and to provide the Bureau with a Certificate of Liability Insurance as proof of possessing the insurance coverage. This bill requires the PPO to list the Bureau as a certificate holder on the Certificate of Liability Insurance 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.

### **Alarm Company Act**

- 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 of the agreement -- advising the consumer that the agreement they are entering into includes an automatic renewal provision. Also, requires the consumer to sign or initial the disclosure as proof of having received the notification.
- Current law requires an Alarm Company Operator (ACO) applicant for licensure or licensee organized as a Limited Liability Company (LLC) to maintain a minimum of a one million dollar (\$1,000,000) general liability insurance policy, and to provide the Bureau with a Certificate of Liability Insurance as proof of possessing the insurance coverage. This bill requires the licensee to list the Bureau as a certificate holder on the Certificate of Liability Insurance 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.

## Private Investigator Act

- Current law requires a Private Investigator (PI) applicant for licensure or licensee organized as a Limited Liability Company (LLC) to maintain a minimum of a one million dollar (\$1,000,000) general liability insurance policy, and to provide the Bureau with a Certificate of Liability Insurance as proof of possessing the insurance coverage. This bill requires the licensee to list the Bureau as a certificate holder on the Certificate of Liability Insurance 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 possesses 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.

## Multiple Acts

- **All Acts:** Revises various fine amounts and civil penalty amounts in all of the practice acts regulated by the Bureau.
- **Private Investigator Act, Private Security Services Act and Alarm Company Act:** Mandates the Bureau to investigate specified allegations involving firearm 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.
- **Private Investigator Act, Private Security Services Act and Alarm Company Act:** Clarifies that officers of a Bureau licensed corporation, and officers and members of a Bureau licensed Private Investigator LLC or 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.

As background, 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 Bureau's 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.