

ASSEMBLY BILL

No. 2592

Introduced by Assembly Member Ma

February 22, 2008

An act to amend Sections 6980, 6980.10, 6980.12, 6980.13, 6980.17, 6980.18, 6980.19, 6980.20, 6980.21, 6980.22, 6980.23, 6980.26, 6980.27, 6980.28, 6980.33, 6980.34, 6980.39, 6980.42, 6980.44, 6980.48, 6980.49, 6980.50, 6980.53, 6980.58, 6980.59, 6980.60, 6980.64, 6980.65, and 6980.79 of, to add Sections 6980.51, 6980.54, and 6980.77 to, to repeal Section 6980.36 of, and to repeal and add Section 6980.14 of, the Business and Professions Code, relating to locksmiths.

LEGISLATIVE COUNSEL'S DIGEST

AB 2592, as introduced, Ma. Locksmiths.

Existing law provides for the licensure and regulation of locksmiths and the registration of employees of locksmiths by the Bureau of Security and Investigative Services in the Department of Consumer Affairs. Under existing law, the bureau is under the supervision and control of the Director of Consumer Affairs. Existing law also requires the Governor to appoint a chief to serve under the direction and supervision of the director. Existing law makes it a misdemeanor for any person to violate the locksmith provisions.

Existing law exempts from licensure certain individuals and practices.

This bill would modify and expand those exemptions, as specified.

Existing law requires employees of licensed locksmiths to be registered with the bureau, and prohibits certain persons from being placed in active charge of the business. Existing law requires a licensee

or registrant to carry a pocket identification card, issued by the chief, at all times while engaged in the work of a locksmith.

This bill would revise the prohibition against certain persons being placed in active charge of the business, would require the registration of a qualified manager, as defined, and an apprentice, as defined, and would require a qualified manager to meet specified education and experience requirements. The bill would require a licensee to have a qualified manager, to list that manager and all registered employees on its application for licensure, and to make those names available to the public, as specified. The bill would make other conforming changes regarding qualified managers. The bill would modify the content of the pocket registration or identification card, would require a partner or officer of a licensee to carry a card, and would provide for the surrender of the card upon the termination of a partner's, officer's, or registrant's employment with a licensee.

Existing law requires branch offices of licensed locksmiths to be registered with the bureau.

This bill would revise the definition of branch office and would require the application for registration of the branch office to include, among other things, the qualified manager and employees of the branch office. The bill would require each locksmith license to be conspicuously displayed at each branch office and in each mobile service vehicle, as defined, for which the license is issued, and would impose a \$250 fine for violation of this requirement.

Existing law requires a licensee to notify the bureau of any change in its officers or the addition of new partners, and requires applications to be submitted for those officers and partners. A 2nd or subsequent violation of this requirement is subject to a fine of \$25.

This bill would increase that fine to \$500.

Existing law requires advertisements by a locksmith to contain the locksmith's address, as specified.

This bill would define "advertisement" for that purpose and require each advertisement to contain certain additional information, and would impose fines for violations of those requirements.

Existing law makes it a misdemeanor, punishable by a fine of \$1,000 or imprisonment in a county jail, as specified, or both that fine and imprisonment, for any unlicensed or unregistered person to engage in certain acts relating to the locksmith business. Existing law also makes it a misdemeanor to violate or conspire to violate any of the provisions governing locksmiths.

This bill would revise and recast those provisions and would increase the fine for violations of those provisions to \$10,000. The bill would authorize the director to issue a citation to a licensee or registrant for any violation, which citation may include an order of abatement or a fine, not to exceed \$2,500. The bill would also authorize the issuance of an injunction by a court and imposition of civil fines, as specified. The bill would prohibit a locksmith from duplicating a key in certain circumstances.

Existing law imposes various fees for license application and renewal, branch office registration and renewal, employee registration and renewal, fingerprint processing, and pocket identification cards.

This bill would increase those fees as specified and would specify the fee for registration as an apprentice. The bill would require licensees to satisfy certain continuing education requirements as a condition of license renewal.

Because a violation of the requirements and prohibitions created by this bill would be a crime, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 6980 of the Business and Professions
- 2 Code is amended to read:
- 3 6980. The following terms as used in this chapter have the
- 4 meaning expressed in this article:
- 5 (a) "Apprentice" means an individual who is not substantially
- 6 employed as a locksmith, but is learning the trade, through study,
- 7 guided experience, and mentoring. An apprentice may not serve
- 8 as a qualified manager, but may own, be a partner in, or be an
- 9 officer in, a licensed locksmith company.
- 10 (a)
- 11 (b) "Branch office" means any additional physical location,
- 12 other than the principal place of business of a licensee ~~that is~~

1 ~~licensed as set forth in this chapter~~, where any locksmith service
2 is provided. Branch office includes the California office of any
3 out-of-state business conducting, directing, dispatching, or
4 managing a locksmith business, service, or service providers in
5 California. A telephone answering service or a telephone call
6 forwarding device, for routing calls within the immediate
7 geographic area, shall not be deemed to be a branch office.

8 ~~(b)~~

9 (c) “Bureau” means the Bureau of Security and Investigative
10 Services.

11 ~~(e)~~

12 (d) “Chief” means the Chief of the Bureau of Security and
13 Investigative Services.

14 ~~(d)~~

15 (e) “Department” means the Department of Consumer Affairs.

16 ~~(e)~~

17 (f) “Director” means the Director of the Department of
18 Consumer Affairs.

19 ~~(f)~~

20 (g) “Employer” means a person who employs an individual for
21 wages or salary, lists the individual on the employer’s payroll
22 records, and withholds all legally required deductions and
23 contributions.

24 ~~(g)~~

25 (h) “Employee” means an individual who works for an
26 employer, is listed on the employer’s payroll records, and is under
27 the employer’s direction and control. An independent contractor
28 is not an employee pursuant to this chapter.

29 ~~(h)~~

30 (i) “Employer-employee relationship” means an individual who
31 works for another and where the individual’s name appears on the
32 payroll records of the employer.

33 ~~(i)~~

34 (j) “Licensee” means a business entity, whether an individual,
35 partnership, or corporation, licensed under this chapter.

36 ~~(j)~~

37 (k) “Locksmith” means any person who, for any consideration
38 or compensation whatsoever, engages, directly or indirectly and
39 as a primary or secondary object, in the business of rekeying,
40 installing, repairing, opening, modifying locks, or who originates

1 keys for locks, *including, but not limited to, electronic cloning of*
2 *transponder keys and any other electronic programming of*
3 *automotive keys and electronic operating devices, such as key*
4 *fobs, door and ignition key devices, and successive electronic and*
5 *other high-security key technology.* A “locksmith” does not mean
6 any person whose activities are limited to making a duplicate key
7 from an existing key.

8 ~~(k)~~

9 (l) “Person” means any individual, firm, company, association,
10 organization, partnership, or corporation.

11 ~~(t)~~

12 (m) “Registrant” means ~~an~~ *a qualified manager, employee, or*
13 *apprentice, registered pursuant to the provisions of this chapter.*

14 ~~(m)~~

15 (n) “Lock” means any mechanical, electromechanical, electronic,
16 or electromagnetic device, or similar device, including any
17 peripheral hardware, that is designed to control access from one
18 area to another, or that is designed to control the use of a device,
19 *including, but not limited to, a safe, vault, or safe deposit box.*

20 ~~(n)~~

21 (o) “Recombination” means changing the combination of any
22 combination-actuated lock.

23 ~~(o)~~

24 (p) “Master key system” means any system in which a lock is
25 rekeyed so that the lock can be operated by its own individual key
26 and can also be operated by a key that can operate other locks if
27 the other locks cannot be operated with the lock’s individual key.

28 ~~(p)~~

29 (q) “Key duplication machine” means any tool whose only
30 capability is to manufacture a new key by using an existing key
31 as a guide; *that includes, but is not limited to, any of the following:*

32 (1) *Standard key duplication machines that are limited to*
33 *duplication of a metallic key from an existing metallic key, standard*
34 *single- or double-sided key, including a plastic “credit card”*
35 *emergency key.*

36 (2) *High-security key machines that include the duplication of*
37 *restricted keys, such as sidewinders and laser cut styles of*
38 *machines.*

1 (3) *Transponder cloning and reprogramming machines that*
 2 *transfer electronic codes and signals and successive technology*
 3 *to keys, fobs, and door and ignition operating devices.*

4 ~~(q)~~

5 (r) “Key blank” means a key that has not been altered or cut
 6 and does not include depth keys.

7 ~~(r)~~

8 (s) “Pin kit” means a container that holds only the following
 9 lock parts and materials:

- 10 (1) Bottom pins.
- 11 (2) Top pins (not including master pins).
- 12 (3) Springs.
- 13 (4) Plug follower.
- 14 (5) Proprietary tools, provided by a lock manufacturer, designed
 15 for the purpose of rekeying a lock.

16 ~~(s)~~

17 (t) “Locksmith tool” means (1) any tool designed for the purpose
 18 of opening, bypassing, altering, rekeying, servicing, or repairing
 19 any lock, or (2) any burglar tool, as described in Section 466 of
 20 the Penal Code.

21 (u) “Motor service vehicle” means any vehicle, as defined in
 22 Section 6161 of the Vehicle Code, or other mode of transportation,
 23 that is used in the business of rekeying, installing, repairing,
 24 opening, or modifying locks, or originating keys for locks.

25 (v) “Qualified manager” is an individual, located in the State
 26 of California, who shall be in the position of the active charge and
 27 management of a licensed locksmith company or registered branch
 28 office.

29 SEC. 2. Section 6980.10 of the Business and Professions Code
 30 is amended to read:

31 6980.10. (a) No person shall engage within this state in the
 32 activities of a locksmith as defined in subdivision ~~(j)~~ (k) of Section
 33 6980, unless the person holds a valid locksmith license, is
 34 registered pursuant to the provisions of this chapter, or is exempt
 35 from the provisions of this chapter.

36 (b) Any person who does any of the following is guilty of a
 37 misdemeanor, punishable by a fine of ten thousand dollars
 38 (\$10,000), or by imprisonment in a county jail for not more than
 39 one year, or by both that fine and imprisonment:

1 (1) Acts as or represents himself or herself to be a licensee
2 under this chapter when that person is not a licensee under this
3 chapter.

4 (2) Falsely represents that he or she is employed by a licensee
5 under this chapter when he or she is not employed by a licensee
6 under this chapter.

7 (3) Carries a badge, identification card, or business card,
8 indicating that he or she is a licensee under this chapter when he
9 or she is not a licensee under this chapter.

10 (4) Uses a letterhead or other written or electronically generated
11 materials indicating that he or she is a licensee under this chapter
12 when he or she is not a licensee under this chapter.

13 (5) Advertises that he or she is a licensee under this chapter
14 when he or she is not a licensee under this chapter.

15 (c) A proceeding to impose the fine specified in subdivision (b)
16 may be brought in any court of competent jurisdiction in the name
17 of the people of the State of California by the Attorney General or
18 by any district attorney or city attorney, or with the consent of the
19 district attorney, the city prosecutor in any city or city and county
20 having a full-time city prosecutor for the jurisdiction in which the
21 violation occurred. If the action is brought by the district attorney,
22 the penalty collected shall be paid to the treasurer of the county
23 in which the judgment is entered. If the action is brought by a city
24 attorney or city prosecutor, one-half of the penalty collected shall
25 be paid to the treasurer of the city in which the judgment was
26 entered and one-half to the treasurer of the county in which the
27 judgment was entered. If the action is brought by the Attorney
28 General, all of the penalty collected shall be deposited in the
29 Private Security Services Fund.

30 SEC. 3. Section 6980.12 of the Business and Professions Code
31 is amended to read:

32 6980.12. This chapter does not apply to the following persons:

33 (a) Any person, or his or her agent or employee, who is the
34 manufacturer of a product, other than locks and keys, and who
35 installs, repairs, opens, or modifies locks or who makes keys for
36 the locks of that product as a normal incident to its marketing.

37 (b) Employees who are industrial or institutional locksmiths,
38 provided that the employees provide locksmith services only to a
39 single employer that does not provide locksmith services for hire
40 to the public for any consideration or compensation whatsoever.

- 1 (c) Tow truck operators who do not originate keys for locks and
2 whose locksmith services are limited to *opening* motor vehicles.
- 3 (d) Any person employed exclusively and regularly by a state
4 correctional institution, *or other state or federal agency, and who*
5 *does not provide locksmith services for hire to the public for any*
6 *consideration or compensation whatsoever.*
- 7 (e) Any person registered with the bureau pursuant to Chapter
8 11 (commencing with Section 7500) if the duties of that person's
9 position that constitute locksmithing are ancillary to the primary
10 duties and functions of that person's position.
- 11 (f) Any agent or employee of a retail establishment that has a
12 primary business other than providing locksmith services, providing
13 all of the following criteria are met:
- 14 (1) The services provided by the retail establishment are limited
15 to rekeying and recombination of locks.
- 16 (2) All rekeying, recombination, and installation of locks must
17 take place on the premises of the retail establishment.
- 18 (3) All rekeying, recombination, and installation services
19 provided by the retail establishment subject to this chapter are
20 limited to locks purchased on the retail establishment's premises
21 and are conducted prior to purchasers taking possession of the
22 locks.
- 23 (4) No unlicensed agent or employee of the retail establishment
24 shall advertise or represent himself or herself to be licensed under
25 this chapter, and no agent or employee of the retail establishment
26 shall advertise or represent himself or herself to be a locksmith.
- 27 (5) No agent or employee of the retail establishment shall design
28 or implement a master key system, as defined in subdivision-~~(o)~~
29 ~~(p)~~ of Section 6980.
- 30 (6) No agent or employee of the retail establishment shall rekey,
31 change the combination of, alter, or install any automotive locks.
- 32 (7) The retail establishment shall not have on its premises any
33 locksmith tool, as defined in subdivision-~~(s)~~ ~~(t)~~ of Section 6980,
34 other than the following:
- 35 (A) ~~Key-Standard key~~ duplication machines.
- 36 (B) Key blanks.
- 37 (C) Pin kits.
- 38 (g) Any law enforcement officer employed by any city, county,
39 city and county, state, or federal law enforcement agency, if all

1 services are performed during the course of the officer's
2 professional duties.

3 (h) Firefighters or emergency medical personnel employed by
4 any city, county, city and county, district, or state agency, if all
5 services are performed during the course of duties as a firefighter
6 or emergency medical person.

7 (i) A new motor vehicle dealer, as defined in Section 426 of the
8 Vehicle Code, and employees of a new motor vehicle dealer acting
9 within the scope of employment at a dealership. Any
10 *reprogramming of transponder and key-related services or*
11 *automotive security-related services shall only be conducted on*
12 *the premises of the new motor vehicle dealer.*

13 SEC. 4. Section 6980.13 of the Business and Professions Code
14 is amended to read:

15 6980.13. (a) Any person who violates any provision of this
16 chapter, or who conspires with another person to violate any
17 provision of this chapter, or who knowingly engages ~~an a~~
18 ~~nonexempt or unlicensed locksmith after being notified in writing~~
19 ~~by the bureau of the individual's unlicensed status with the bureau,~~
20 is guilty of a misdemeanor, *punishable by a fine of ten thousand*
21 *dollars (\$10,000), or by imprisonment in a county jail for not more*
22 *than one year, or by both that fine and imprisonment, except as*
23 *otherwise provided in this chapter.*

24 (b) *A proceeding to impose the fine specified in subdivision (a)*
25 *may be brought in any court of competent jurisdiction in the name*
26 *of the people of the State of California by the Attorney General or*
27 *by any district attorney or city attorney, or with the consent of the*
28 *district attorney, the city prosecutor in any city or city and county*
29 *having a full-time city prosecutor for the jurisdiction in which the*
30 *violation occurred. If the action is brought by the district attorney,*
31 *the penalty collected shall be paid to the treasurer of the county*
32 *in which the judgment is entered. If the action is brought by a city*
33 *attorney or city prosecutor, one-half of the penalty collected shall*
34 *be paid to the treasurer of the city in which the judgment was*
35 *entered and one-half to the treasurer of the county in which the*
36 *judgment was entered. If the action is brought by the Attorney*
37 *General, all of the penalty collected shall be deposited in the*
38 *Private Security Services Fund.*

39 (c) *Any person who is convicted of a violation of this section or*
40 *Section 6980.10 shall not be issued a license for a period of one*

1 year following a first conviction and shall not be issued a license
 2 for a period of five years following a second or subsequent
 3 conviction of this section or Section 6980.10 or any combination
 4 of those sections.

5 (d) The chief shall gather evidence of violations of this chapter,
 6 and of any rule or regulation established pursuant to this chapter,
 7 by persons engaged in the business of a licensee who fail to obtain
 8 a license and shall furnish that evidence to prosecuting officers of
 9 any county or city for the purpose of prosecuting those violations
 10 occurring within their jurisdiction.

11 (e) It is the intent of the Legislature that the prosecuting officer
 12 of any county or city shall prosecute all violations of this chapter
 13 occurring within his or her jurisdiction.

14 SEC. 5. Section 6980.14 of the Business and Professions Code
 15 is repealed.

16 ~~6980.14. Any person who engages in any business regulated~~
 17 ~~by this chapter, who acts as or represents himself or herself to be~~
 18 ~~a licensee under this chapter, who falsely represents that he or she~~
 19 ~~is employed by a licensee, or who carries a badge, identification~~
 20 ~~card, or business card, or uses a letterhead or advertises that he or~~
 21 ~~she is a licensee under this chapter, unless such person is licensed~~
 22 ~~under this chapter, is guilty of a misdemeanor, and is punishable~~
 23 ~~by a fine of one thousand dollars (\$1,000), or by imprisonment in~~
 24 ~~a county jail for not more than one year, or by both that fine and~~
 25 ~~imprisonment.~~

26 SEC. 6. Section 6980.14 is added to the Business and
 27 Professions Code, to read:

28 6980.14. (a) The superior court in and for the county where
 29 any person has engaged or is about to engage in any act that
 30 constitutes a violation of this chapter or where any person engages
 31 in the business of a locksmith after the revocation or expiration of
 32 any license or during the period of suspension of any license, may,
 33 upon application of the chief, or any person licensed under these
 34 provisions or any association representing those licensees or any
 35 member of the general public, issue an injunction or other
 36 appropriate order restraining this conduct and may impose civil
 37 fines not exceeding ten thousand dollars (\$10,000). The
 38 proceedings under this section shall be governed by Chapter 3
 39 (commencing with Section 525) of Title 7 of Part 2 of the Code
 40 of Civil Procedure, except that there shall be no requirement to

1 allege facts necessary to show or tending to show lack of adequate
2 remedy at law or irreparable injury.

3 (b) During the period of revocation, expiration, or suspension,
4 any business phone number used to conduct, direct, operate,
5 dispatch, manage, or utilize an illegal, nonexempt, or unlicensed
6 locksmith business, locksmith service, service provider, or related
7 activity, may be disconnected by ruling of the chief.

8 (c) The superior court for the county in which any person has
9 engaged in any act that constitutes a violation of this chapter may,
10 upon a petition filed by the chief with the approval of the director,
11 order this person to make restitution to persons injured as a result
12 of the violation.

13 (d) The court may order a person subject to an injunction or
14 restraining order, provided for in subdivision (a), or subject to an
15 order requiring restitution pursuant to subdivision (c), to reimburse
16 the bureau for expenses incurred by the bureau in its investigation
17 related to its petition.

18 (e) A proceeding to impose the fine specified in subdivision (a)
19 and enjoin the unlicensed operation may be brought in any court
20 of competent jurisdiction in the name of the people of the State of
21 California by the Attorney General or by any district attorney or
22 city attorney, or with the consent of the district attorney, the city
23 prosecutor in any city or city and county having a full-time city
24 prosecutor for the jurisdiction in which the violation occurred. If
25 the action is brought by the district attorney, the penalty collected
26 shall be paid to the treasurer of the county in which the judgment
27 is entered. If the action is brought by a city attorney or city
28 prosecutor, one-half of the penalty collected shall be paid to the
29 treasurer of the city in which the judgment was entered and one-half
30 to the treasurer of the county in which the judgment was entered.
31 If the action is brought by the Attorney General, all of the penalty
32 collected shall be deposited in the Private Security Services Fund.

33 (f) The remedy provided for by this section shall be in addition
34 to any other remedy provided for in this chapter.

35 SEC. 7. Section 6980.17 of the Business and Professions Code
36 is amended to read:

37 6980.17. (a) An application for a locksmith license shall be
38 made in writing to, and filed with, the chief in the form as may be
39 required by the director, and shall be accompanied by the
40 application fee prescribed by this chapter. The chief may require

1 the submission of any other relevant information, evidence,
2 statements, or documents.

3 (b) Every application for a locksmith license shall state, among
4 other things that may be required, the name of the applicant, the
5 name under which the applicant will do business, and the *physical*
6 location by street, number, and city of the office of the business
7 for which the license is sought.

8 (c) No license shall be issued in any fictitious name that may
9 be confused with, or that is similar to, any federal, state, county,
10 or municipal governmental function or agency, or to any law
11 enforcement agency, or in any name that may tend to describe any
12 business function or enterprise not actually engaged in by the
13 applicant.

14 (d) No license shall be issued in any fictitious name that is
15 misleading or would constitute false advertising.

16 (e) *A licensee shall have a designated qualified manager listed
17 on its application. The name of the licensee's qualified manager
18 shall be available to the public, upon request, at no charge.*

19 (f) *A licensee shall list all registered employees on its
20 application. A list of the licensee's employees' names shall be
21 available to the public, upon request, at no charge.*

22 SEC. 8. Section 6980.18 of the Business and Professions Code
23 is amended to read:

24 6980.18. (a) Each individual applicant, each partner of a
25 partnership, and designated officers of a corporation shall submit
26 with the application one personal identification form provided by
27 the chief upon which shall appear a photograph taken within one
28 year immediately preceding the date of the filing of the application,
29 together with two legible sets of fingerprints, one set of which
30 shall be forwarded to the Federal Bureau of Investigation for
31 purposes of a background check, and a personal description of
32 each person, respectively. Any photograph submitted by an
33 applicant shall measure 1 ¼ by 1 ½ inches, with a face size no
34 greater than 1 by 1 ¼ inches. The identification form shall include
35 residence addresses and employment history for the previous five
36 years.

37 (b) The bureau may impose a fee not to exceed ~~three~~ *twenty*
38 ~~dollars~~ ~~(\$3)~~ *(\$20)* for processing classifiable fingerprint cards
39 submitted by applicants, excluding those submitted into an

1 electronic fingerprint system using electronic fingerprint
2 technology.

3 SEC. 9. Section 6980.19 of the Business and Professions Code
4 is amended to read:

5 6980.19. (a) If the applicant for a license is an individual, the
6 application shall state the full name of the individual, the full
7 residence address of the applicant, and that the applicant is to be
8 personally and actively in charge of the business for which the
9 license is sought. The application shall be subscribed, verified,
10 and signed by the applicant, under penalty of perjury.

11 (b) *The license application for an individual may also be*
12 *submitted as an application for registration as a qualified manager*
13 *pursuant to Section 6980.42.*

14 SEC. 10. Section 6980.20 of the Business and Professions
15 Code is amended to read:

16 6980.20. If the applicant for a license is a partnership, the
17 application shall state the true names and addresses of all the
18 general partners and the name of the partner to be actively in charge
19 of the business for which the license is sought, *who shall be*
20 *registered as the qualified manager for the licensee.* The
21 application shall be subscribed, verified, and signed under penalty
22 of perjury by all of the general partners.

23 SEC. 11. Section 6980.21 of the Business and Professions
24 Code is amended to read:

25 6980.21. (a) If the applicant for a license is a corporation, the
26 application shall state the true names and complete residence
27 addresses of the chief executive officer, secretary, chief financial
28 officer, and any other corporate officer who will be active in the
29 business to be licensed. The corporation identification number
30 issued by the Secretary of State shall be indicated on the
31 application. The application shall also state the name and address
32 of a designated person to be actively in charge of the business for
33 which the license is sought, *who shall be registered as the qualified*
34 *manager for the licensee.* The application shall be subscribed,
35 verified, and signed by a duly authorized officer of the applicant
36 under penalty of perjury.

37 (b) Except as herein otherwise provided, no individual shall be
38 placed in active charge of the business if the individual has ever
39 had a license *or registration* revoked for cause or has ever been

1 disqualified from further employment in the locksmith business
2 pursuant to this chapter *or pursuant to the laws of any other state.*

3 SEC. 12. Section 6980.22 of the Business and Professions
4 Code is amended to read:

5 6980.22. No new or original license shall be issued to any
6 applicant pending final disposition of any disciplinary action
7 previously filed against the person or applicant or partner, or officer
8 of the applicant, *or pending final disposition of any disciplinary*
9 *action related to the locksmith business previously filed in another*
10 *state against the person or applicant or partner, or officer of the*
11 *applicant.*

12 SEC. 13. Section 6980.23 of the Business and Professions
13 Code is amended to read:

14 6980.23. (a) The chief shall issue a pocket identification card
15 to the owner, partners, and officers. The chief shall determine the
16 form and content of the card. The pocket card shall be composed
17 of durable material and may incorporate technologically advanced
18 security features *and shall contain the signature and photograph*
19 *of the owner, partner, or officer and the signature of the chief.* The
20 bureau may charge a fee sufficient to reimburse the department
21 for costs for furnishing the pocket card. The fee charged may not
22 exceed the actual cost for system development, maintenance, and
23 processing necessary to provide the service, and may not exceed
24 ~~six sixteen dollars~~ ~~(\$6)~~ (\$16).

25 (b) *When the relationship with a licensee of a person to whom*
26 *the card is issued terminates, for any reason, he or she shall*
27 *surrender the card to the licensee. Within five days, the licensee*
28 *shall notify the bureau of any card surrendered or requested to be*
29 *surrendered under this subdivision and shall mail or deliver to*
30 *the bureau for cancellation any card surrendered under this*
31 *subdivision.*

32 SEC. 14. Section 6980.26 of the Business and Professions
33 Code is amended to read:

34 6980.26. (a) Each locksmith license, together with the current
35 renewal certificate, if any, shall at all times be conspicuously
36 displayed at the place of business, *each branch office, and in each*
37 *mobile service vehicle* for which the license is issued.

38 (b) *The director may assess a fine of two hundred fifty dollars*
39 *(\$250) per violation of subdivision (a). These fines shall be*
40 *deposited in the Private Security Services Fund.*

1 SEC. 15. Section 6980.27 of the Business and Professions
2 Code is amended to read:

3 6980.27. Every locksmith license shall expire at 12 midnight
4 of the last day of the month two years following the date of
5 issuance unless renewed; provided however, that the bureau may
6 establish procedures, pursuant to Sections 152.5 and 152.6, for the
7 administration of a staggered license renewal program. To renew
8 an unexpired license or registration, the licensee shall apply for
9 renewal on a form prescribed by the director, pay any and all fines
10 assessed by the chief or the director which are not pending appeal,
11 and pay the renewal fee prescribed by this chapter. On renewal,
12 such evidence of renewal of the license or registration as the
13 director may prescribe shall be issued to the licensee. The bureau
14 shall send to each licensee a notice of renewal at least 45 calendar
15 days prior to the expiration of each unexpired license. *Any*
16 *applicable continuing education requirements under this chapter*
17 *shall be completed prior to renewal of a license.*

18 SEC. 16. Section 6980.28 of the Business and Professions
19 Code is amended to read:

20 6980.28. A locksmith license not renewed within three years
21 following its expiration may not be renewed thereafter. Renewal
22 of the license within three years, or issuance of an original license
23 thereafter, shall be subject to payment of any and all fines assessed
24 by the chief or the director ~~which~~ *that* are not pending appeal and
25 all other applicable fees. *Any applicable continuing education*
26 *requirements under this chapter shall be completed prior to*
27 *renewal of the license.*

28 SEC. 17. Section 6980.33 of the Business and Professions
29 Code is amended to read:

30 6980.33. A licensee, *or a partner or officer of a licensee*, shall
31 carry a valid pocket identification card, issued by the bureau
32 pursuant to Section 6980.23, at all times the licensee, *or partner*
33 *or officer*, is engaged in the work of a locksmith, as defined in this
34 chapter, whether on or off the premises of the licensee's place of
35 business. Every person, while engaged in any activity for which
36 licensure is required, shall display his or her valid pocket card as
37 provided by regulation.

38 SEC. 18. Section 6980.34 of the Business and Professions
39 Code is amended to read:

1 6980.34. (a) Every application for a locksmith license in which
2 the person applying desires to have the license issued under a
3 fictitious business name shall include a certified copy of the
4 fictitious business name statement filed with the county clerk
5 pursuant to Chapter 5 (commencing with Section 17900) of Part
6 3 of Division 7.

7 (b) A licensee desiring to operate a locksmith business under
8 one or more fictitious business names shall apply and qualify for
9 an initial license for each fictitious business name.

10 (c) No licensee shall indicate, or cause to be indicated, in any
11 printed matter, or in any directory or listing, that he or she conducts
12 a locksmith business under any name, other than the name for
13 which he or she is licensed.

14 (d) An application for a license for an additional fictitious
15 business name shall be in the same form, and the applicant shall
16 meet the same requirements, as for an initial license.

17 (e) *A licensee operating a locksmith business under one or more
18 fictitious business names shall have a designated qualified manager
19 listed on its application. This qualifying manager’s name shall be
20 listed and be available to the public, upon request, at no charge.*

21 (f) *A licensee desiring to operate a locksmith business under
22 one or more fictitious business names shall list its licensed
23 employees on its application. The employees’ names shall be listed
24 and be available to the public, upon request, at no charge.*

25 SEC. 19. Section 6980.36 of the Business and Professions
26 Code is repealed.

27 ~~6980.36. For purposes of this article, “branch office” means
28 any additional location, other than the licensee’s principal place
29 of business, where locksmith services are provided. A telephone
30 answering service or a telephone call forwarding device shall not
31 be deemed to be a branch office.~~

32 SEC. 20. Section 6980.39 of the Business and Professions
33 Code is amended to read:

34 6980.39. An application for a branch office registration shall
35 include:

36 (a) The full name and address of, and the telephone number at,
37 the principal licensed location, and the license number of the
38 applicant.

39 (b) The address *and physical location* of, and the telephone
40 number at, the branch office.

1 (c) A branch office shall have a designated qualified manager
2 listed on its application. This qualifying manager's name will be
3 listed and be publicly available, upon request, at no charge.

4 (d) A branch office shall list its registered employees on its
5 application, and shall make these names publicly available, upon
6 request, at no charge.

7 SEC. 21. Section 6980.42 of the Business and Professions
8 Code is amended to read:

9 6980.42. (a) Within seven days after commencing employment,
10 any *qualified manager or* employee of a locksmith who is not
11 currently registered with the bureau and who is performing the
12 services of a locksmith shall submit to the bureau a completed
13 application for registration, two classifiable fingerprint cards, one
14 set of which shall be forwarded to the Federal Bureau of
15 Investigation for purposes of a background check, and the
16 appropriate registration fee. No application is required to be
17 submitted if the *qualified manager or* employee terminated
18 employment within seven days. "Within seven days" means 168
19 hours from the time an employee provides any service for which
20 he or she shall be compensated by a licensee.

21 (b) Except as provided in subdivision (c), ~~an~~ a *qualified manager*
22 *or* employee of a licensee may be assigned to work with a
23 temporary registration card issued by the licensee until the bureau
24 issues a registration card or denies the application for registration.
25 A temporary registration card shall in no event be valid for more
26 than 120 days. However, the director may extend the expiration
27 date beyond the 120 days if there is an abnormal delay in
28 processing applications for locksmith *qualified managers or*
29 employees. For purposes of this section, the 120-day period shall
30 commence on the date the applicant signs the application.

31 (c) ~~An~~ A *qualified manager or* employee who has been convicted
32 of a crime prior to applying for a position as a ~~locksmith~~ *qualified*
33 *manager or* employee performing the services of a locksmith shall
34 not be issued a temporary registration card and shall not be
35 assigned to work as a ~~locksmith~~ *qualified manager or employee*
36 until the bureau issues a permanent registration card. This
37 subdivision shall apply only if the applicant for registration has
38 disclosed the conviction to the bureau on his or her application
39 form, or if the fact of the conviction has come to the attention of
40 the bureau through official court or other governmental documents.

1 (d) The bureau may impose a fee not to exceed ~~three~~ *twenty*
2 dollars ~~(\$3)~~ (\$20) for processing classifiable fingerprint cards
3 submitted by applicants, excluding those submitted into an
4 electronic fingerprint system using electronic fingerprint
5 technology.

6 (e) *A qualified manager shall demonstrate competency in the*
7 *field of locksmithing in one or more of the following ways:*

8 (1) *Successful completion of a state or nationally recognized*
9 *professional proficiency program.*

10 (2) *Five years of documented experience in the field of*
11 *locksmithing, except as follows:*

12 (A) *Completion of a state-approved or nationally accredited*
13 *trade school course of study, may be substituted on a year-by-year*
14 *basis for up to three years of experience.*

15 (B) *A skills examination by an instructor approved by the bureau*
16 *may be substituted for up to two years of experience under this*
17 *paragraph.*

18 (3) *Have served five years in the capacity of a qualified manager*
19 *prior to January 1, 2009.*

20 (f) *An apprentice shall register with the bureau as an apprentice,*
21 *and shall follow all rules and regulations applicable to a locksmith*
22 *employee, except for the following:*

23 (1) *An apprentice shall list his or her respective trade school*
24 *as his or her employer.*

25 (2) *An apprentice shall list his or her qualified manager and*
26 *the licensee that he or she works for, if employed in a mentorship*
27 *program or workstudy program.*

28 (g) *An individual's registration under this chapter shall expire*
29 *on the date upon which he or she is no longer employed by a*
30 *licensee.*

31 SEC. 22. Section 6980.44 of the Business and Professions
32 Code is amended to read:

33 6980.44. *The qualified manager, employee, or apprentice*
34 *application shall be verified and shall include the following:*

35 (a) *The full name, residence address, telephone number, and*
36 *date of birth of the qualified manager, employee, or apprentice.*

37 (b) *The name, address, telephone number, and license number*
38 *of the employer, and the date the employment commenced.*

1 (c) A statement as to whether the *qualified manager*, employee,
2 *or apprentice* has been arrested or convicted of a misdemeanor,
3 excluding minor traffic violations.

4 (d) A statement as to whether the *qualified manager*, employee,
5 *or apprentice* has been convicted of a felony.

6 SEC. 23. Section 6980.48 of the Business and Professions
7 Code is amended to read:

8 6980.48. (a) Upon determining that the applicant is qualified
9 for registration pursuant to this chapter, the bureau shall issue a
10 pocket registration card to the *qualified manager or employee*.
11 ~~The applicant may request to be issued an enhanced pocket card~~
12 ~~that card shall be composed of durable material—and, may~~
13 ~~incorporate technologically advanced security features, and shall~~
14 ~~contain the signature and photograph of the registrant and the~~
15 ~~signature of the chief. The bureau may charge a fee sufficient to~~
16 ~~reimburse the department for costs for furnishing the enhanced~~
17 ~~pocket card. The fee charged may not exceed the actual direct cost~~
18 ~~for system development, maintenance, and processing necessary~~
19 ~~to provide the service, and may not exceed six sixteen dollars (\$6~~
20 ~~(\$16). If the applicant does not request an enhanced card, the~~
21 ~~department shall issue a standard card at no cost to the applicant.~~

22 (b) The registrant shall carry a valid registration card issued by
23 the bureau under this section at all times the registrant is engaged
24 in the work of a locksmith whether on or off the premises of the
25 licensee's place of business. Every person, while engaged in any
26 activity for which licensure is required, shall display his or her
27 valid pocket card as provided by regulation.

28 (c) *The registrant shall surrender his or her registration card*
29 *to the licensee upon the termination of the registrant's employment*
30 *with the licensee. Within five days, the licensee shall mail or deliver*
31 *to the bureau for cancellation any card surrendered under this*
32 *subdivision.*

33 SEC. 24. Section 6980.49 of the Business and Professions
34 Code is amended to read:

35 6980.49. A licensee shall at all times be responsible for
36 ascertaining that his or her *qualified manager or employees* subject
37 to registration are currently registered or have made proper
38 application for registration as provided in this article. The licensee
39 shall not have in his or her employment a person performing the

1 services of a locksmith whose registration has expired, or been
2 revoked, denied, suspended, or canceled.

3 SEC. 25. Section 6980.50 of the Business and Professions
4 Code is amended to read:

5 6980.50. (a) All registrations shall be placed on a cyclical
6 renewal and shall expire two years following the date of issuance
7 or assigned renewal date.

8 (b) At least 60 days prior to the expiration of a registration, a
9 registrant who desires to renew his or her registration shall forward
10 to the bureau a copy of his or her current registration card, along
11 with the renewal fee as set forth in this chapter.

12 (c) The licensee shall provide to any *qualified manager or*
13 *employee* information regarding procedures for renewal of
14 registration.

15 (d) An expired registration may still be renewed within 30 days
16 from the date of expiration provided the registrant pays a
17 delinquency fee provided by this chapter. A registration not
18 renewed within 30 days following its expiration may not be
19 renewed thereafter. The holder of an expired registration may
20 obtain a new registration only on compliance with all the provisions
21 of this chapter relating to the issuance of an original registration.
22 The holder of an expired registration shall not engage in any
23 activity requiring registration under this chapter until the bureau
24 issues a renewal or new registration.

25 (e) If the renewed registration card has not been delivered to
26 the registrant, prior to the date of expiration of the prior
27 registration, the registrant may present evidence of renewal to
28 substantiate continued registration, for a period not to exceed 90
29 days after the date of expiration.

30 (f) A registration shall not be renewed until any and all fines,
31 not pending appeal, assessed by the chief or the director have been
32 paid.

33 SEC. 26. Section 6980.51 is added to the Business and
34 Professions Code, to read:

35 6980.51. (a) On and after January 1, 2010, the board shall
36 issue renewal licenses only to those applicants who have completed
37 32 hours of approved continuing education in the preceding two
38 years.

39 (b) Notwithstanding any other provision of law, continuing
40 education hours shall be earned by attending courses relevant to

1 the locksmith business and sponsored or cosponsored by any
2 continuing education provider approved by the bureau.

3 SEC. 27. Section 6980.53 of the Business and Professions
4 Code is amended to read:

5 6980.53. ~~(a)~~ A locksmith licensed by the bureau shall be
6 subject to the provisions of Sections 466.6 and 466.8 of the Penal
7 Code requiring verification of identification of clients and
8 maintenance of work orders containing required client information.
9 A copy of each work order completed pursuant to Sections 466.6
10 and 466.8 of the Penal Code shall be retained for two years, shall
11 include the name and license number of the locksmith performing
12 the service, and shall be open to inspection by the bureau or any
13 peace officer during business hours or submitted to the bureau
14 upon request.

15 ~~(b) Nothing in this section shall be construed to prohibit the~~
16 ~~duplication of any key for a residence, commercial establishment,~~
17 ~~or personal property registered under the Vehicle Code from~~
18 ~~another key.~~

19 SEC. 28. Section 6980.54 is added to the Business and
20 Professions Code, to read:

21 6980.54. (a) A locksmith licensed by the bureau shall be
22 subject to the provisions of Section 466.6 of the Penal Code, and
23 shall be able to duplicate any key for any vehicle from another
24 key.

25 (b) A locksmith licensed by the bureau shall be subject to the
26 provisions of Section 466.8 of the Penal Code, and shall be able
27 to duplicate any key for a residence, commercial establishment,
28 or personal property from another key, except as follows:

29 (1) Duplication is prohibited when a key is stamped, imprinted,
30 marked, or incised with the wording “Do Not Duplicate” or
31 “Unlawful To Duplicate” and includes the originator’s company
32 name and telephone number.

33 (2) Duplication is prohibited when a key is a Restricted Key or
34 a High Security Key and includes the originator’s company name
35 and telephone number or registration number.

36 SEC. 29. Section 6980.58 of the Business and Professions
37 Code is amended to read:

38 6980.58. A licensee *and its qualified manager* shall at all times
39 be responsible for those actions of ~~his or her~~ *the licensee’s*
40 employees performed in violation of this chapter, when acting

1 within the course and scope of ~~his or her~~ *the employee's*
 2 employment.

3 SEC. 30. Section 6980.59 of the Business and Professions
 4 Code is amended to read:

5 6980.59. (a) A licensee shall notify the bureau within 30 days
 6 of any change of its officers required to be named pursuant to
 7 Section 6980.21 and of the addition of any new partners.
 8 Applications, on forms prescribed by the director, shall be
 9 submitted by all new officers and partners. The director may deny
 10 the application of a new officer or partner if the director determines
 11 that the officer or partner has committed any act which constitutes
 12 grounds for the denial of a license pursuant to Section 6980.71.

13 (b) A Notice of Warning shall be issued for the first violation
 14 of this section. Thereafter, the director shall assess a fine of
 15 ~~twenty-five five hundred dollars (\$25)~~ (\$500) for each subsequent
 16 violation of this section.

17 SEC. 31. Section 6980.60 of the Business and Professions
 18 Code is amended to read:

19 6980.60. No licensee, *qualified manager, or employee* shall
 20 conduct business from any location other than the location for
 21 which a license or branch office registration was issued.

22 SEC. 32. Section 6980.64 of the Business and Professions
 23 Code is amended to read:

24 6980.64. (a) Every advertisement by a licensee soliciting or
 25 advertising business shall contain his or her *business name,*
 26 *business address, or business telephone number,* and license
 27 number as they appear in the records of the bureau, *except a free*
 28 *telephone directory listing which does not allow space for a license*
 29 *number.*

30 (b) *For the purpose of this section, "advertisement" includes*
 31 *any business card, stationery, brochure, flyer, circular, newsletter,*
 32 *fax form, printed or published paid advertisement in any media*
 33 *form, directory listing, or telephone book listing.*

34 (c) *The director may assess a fine of five hundred dollars (\$500)*
 35 *for the first violation of this section and one thousand dollars*
 36 *(\$1,000) for each subsequent violation. These fines shall be*
 37 *deposited in the Private Security Services Fund.*

38 SEC. 33. Section 6980.65 of the Business and Professions
 39 Code is amended to read:

1 6980.65. No licensee *or person* shall aid and abet an unlicensed
2 *or nonexempt* locksmith in any activity for which a license is
3 required. *For purposes of this section, to aid or abet includes, but*
4 *is not limited to, the falsification of documents or facilitation of*
5 *the acquisition of locksmith tools. Any licensee or person found*
6 *in violation of this section shall be subject to Section 6980.14. A*
7 *person shall not be subject to this section if he or she reasonably*
8 *relied on a copy of a license or registration or of a pocket*
9 *registration or pocket identification card.*

10 SEC. 34. Section 6980.77 is added to the Business and
11 Professions Code, to read:

12 6980.77. (a) If, upon investigation, the director determines
13 that a licensee or a registrant is in violation of any provision of
14 this chapter, the director may issue a citation to the licensee or
15 registrant. The citation shall be in writing and shall describe with
16 particularity the nature of the violation, including specific
17 references to the provision of law determined to have been violated,
18 and shall be delivered by certified mail to the licensee's or
19 registrant's address of record. If the citation is issued to a registrant,
20 a copy of the citation shall also be sent by certified mail to the
21 licensee's address of record. If the director deems it appropriate,
22 the citation may contain an order of abatement fixing a reasonable
23 time for abatement of the violation and may contain assessment
24 of an administrative fine not to exceed two thousand five hundred
25 dollars (\$2,500).

26 (b) A citation or fine assessment shall inform the licensee or
27 registrant that if he or she desires a hearing to contest the finding
28 of a violation, the hearing shall be requested by written notice to
29 the director within 30 days of the issuance of the citation or
30 assessment, as appropriate. Any request for reconsideration
31 received in writing by the director within the 30 days shall stay
32 the 30 days allowed to request a hearing while the director
33 reconsiders the citation or fine assessment. Upon decision, the
34 director shall notify the licensee or registrant in writing whether
35 the citation or fine assessment has been withdrawn or has been
36 reaffirmed. If the citation or fine assessment has been reaffirmed,
37 the director shall again inform the licensee or registrant in writing
38 that he or she has 30 days to request a hearing. If a hearing is not
39 requested pursuant to this section, payment of any fine shall not
40 constitute an admission of the violation charged. Hearings shall

1 be held pursuant to Chapter 5 (commencing with Section 11500)
 2 of Part 1 of Division 3 of Title 2 of the Government Code.

3 (c) If the licensee or registrant neither requests a hearing nor
 4 abates the violation or pays the assessed fine within 30 days of the
 5 citation, the license or registration of the person shall be suspended
 6 or revoked and no license or registration shall be reissued pursuant
 7 to Article 4 (commencing with Section 6980.17) or Article 6
 8 (commencing with Section 6980.42) until the violation is abated
 9 or the assessed fine is paid.

10 (d) Any registration fee that is past due shall be doubled if the
 11 licensee or registrant fails to pay any assessed fine within 30 days
 12 of the assessment.

13 (e) Administrative fines collected pursuant to this section shall
 14 be deposited in the Private Security Services Fund.

15 SEC. 35. Section 6980.79 of the Business and Professions
 16 Code is amended to read:

17 6980.79. The fees prescribed by this chapter are those fixed in
 18 the following schedule:

19 (a) A locksmith license application fee may not exceed ~~thirty~~
 20 ~~dollars (\$30)~~ *fifty dollars (\$50)*.

21 (b) An original license and renewal fee for a locksmith license
 22 may not exceed ~~forty-five dollars (\$45)~~ *one hundred dollars (\$100)*.

23 (c) A branch office registration fee and branch office renewal
 24 fee may not exceed ~~thirty-five dollars (\$35)~~ *seventy-five dollars*
 25 *(\$75)*.

26 (d) Notwithstanding Section 163.5, the reinstatement fee as
 27 required by Section 6980.28 is the amount equal to the renewal
 28 fee plus a penalty of 50 percent thereof.

29 (e) An initial registration fee for ~~an a qualified manager or~~
 30 ~~employee~~ may not exceed ~~twenty dollars (\$20)~~ *forty dollars (\$40)*.

31 (f) A registration renewal fee for ~~an a qualified manager or~~
 32 ~~employee performing the services of a locksmith~~ may not exceed
 33 ~~twenty dollars (\$20)~~ *seventy-five dollars (\$75)*.

34 (g) The fingerprint processing fee is that amount charged the
 35 bureau by the Department of Justice.

36 (h) All applicants seeking a license pursuant to this chapter shall
 37 also remit to the bureau the fingerprint fee that is charged to the
 38 bureau by the Department of Justice.

39 (i) The fee for a “Certificate of Licensure” may not exceed
 40 twenty dollars (\$20).

1 (j) A delinquency fee is the amount equal to the renewal fee
2 plus a penalty of ~~50~~ 100 percent thereof.

3 (k) *A locksmith apprentice registration fee and renewal fee may*
4 *not exceed thirty-five dollars (\$35).*

5 SEC. 36. No reimbursement is required by this act pursuant to
6 Section 6 of Article XIII B of the California Constitution because
7 the only costs that may be incurred by a local agency or school
8 district will be incurred because this act creates a new crime or
9 infraction, eliminates a crime or infraction, or changes the penalty
10 for a crime or infraction, within the meaning of Section 17556 of
11 the Government Code, or changes the definition of a crime within
12 the meaning of Section 6 of Article XIII B of the California
13 Constitution.

O