

PRIVATE INVESTIGATORS LICENSING BOARD

MINUTES

SEPTEMBER 16, 2009

MEMBERS PRESENT:

DANIEL CRATE: BOARD MEMBER

RICHARD PUTNAM: BOARD MEMBER

DAVID SPENCER: BOARD CHAIRMAN

ROBERT UITHOVEN: BOARD MEMBER

LOIS GRASSO: BOARD MEMBER

OTHERS:

MECHELE RAY: EXECUTIVE DIRECTOR

TAMMY WHATLEY: INVESTIGATOR

JEFF MENICUCCI: BOARD COUNSEL

JOE DUPUIS: INVESTIGATOR

COLIN MURPHY: COMPLIANCE AUDITOR

BRANDI KING: ASSISTANT

ELAINE TRENT: ASSISTANT

Executive Director Ray called the roll.

APPROVAL OF MINUTES:

Board Member Putnam moved to approve the June 17, 2009 and the June 18, 2009 minutes and Board Member Crate seconded the motion, which passed.

FINANCIAL REPORT:

Executive Director Ray briefly discussed the budget. The closing report for budget for FY 2009 had been provided. A transfer of \$52,702.44 would be made to FY2010. The current Budget Status Report showed the collections year to date, budgeted expenditures, and current expenditures with \$477,283.82 in funds available. The report did not require Board action.

SWEARING IN:

Board Counsel Menicucci swore in those present who were to testify or comment during the meeting.

STAFF REPORT:

Executive Director stated that the statistics regarding new applicants, complaints, and violations had been provided to the Board in her quarterly status report. She offered to read the statistics, but it was not deemed necessary.

Chairman Spencer read the following statement: "The Board will consider the above-named applicants for licensure. Under the authority of NRS 241.030 the Board, upon motion, may close the meeting to the public for the purpose of considering an applicant's character, alleged misconduct, professional competence, or physical or mental health." He explained that any applicant who was to appear before the Board at today's meeting for licensure could request a closed meeting. The applicants in Las Vegas could inform Board Member Grasso and those in Carson City could ask the Board for a closed meeting. Chairman Spencer asked everyone present to turn off all cell phones. He asked all applicants to allow staff time to send notifications of Board decisions regarding licensure in the days following today's meeting. Letters would be sent to all applicants explaining the next steps to complete the licensure procedures.

Chairman Spencer said that, at the request of counsel, Item #40 would be taken out of order on the agenda.

APPEAL HEARING:

Jim Smith, Esq. represented Orion Security Services, Inc., which was issued unlicensed activity citation C-004-08 pursuant to NRS 648.165(1)(2)(3)(4). On behalf of the company, Mr. Smith requested an appeal hearing on the issuance of the citation pursuant to NRS 648.165(5).

Board Counsel Menicucci said the Board allowed Orion Security Services, Inc. to present testimony at the last Board meeting as to why the citation should be dismissed. He spoke with Mr. Smith, who made witnesses available to Board Counsel Menicucci via telephone. He spoke with Steve Russell, Mr. Hohenstein, and Mr. Schmitt. As a result, Board Counsel Menicucci wished to submit a consent order to the Board could approve immediately. Otherwise, testimony could be heard later in the meeting. He explained the order of stipulation. The matter had been reviewed by counsel for Orion Security Services, Inc. and Board Counsel Menicucci. Board Counsel Menicucci had interviewed Mr. Hohenstein, Mr. Schmitt, and Mr. Russell. He also reviewed taped interviews and telephone conversations between Investigator Botello and Mr. Hohenstein. He recommended dismissal of the citation. Mr. Russell, Mr. Schmitt, and Mr. Hohenstein all stated the tasks performed by Mr. Hohenstein were not private patrolman tasks as defined by Nevada law, but were in the nature of contract verification. Mr. Russell initially contacted Orion Security for security, but was told Orion could not provide security services for Downy

sales representatives. Mr. Hohenstein was made available to observe the sales representatives and was specifically instructed not to provide security for the employees. He was only to observe that the employees arrived at the destinations on time and met contract standards of dress. Security was provided by the store locations. Mr. Hohenstein was a disclosed, unarmed observer. He did not provide protection of person or property. Mr. Schmitt, on behalf of Orion, understood that if his clients required the services of a private patrolman in Nevada, he may refer them to licensed persons, but may not contract for security services or act as a contract intermediary. The information was faxed to the Las Vegas meeting.

Mr. Jim Smith said the original appeal date had been missed by Orion Security and its counsel. He noted it had taken a year and a half to arrive at this point and he appreciated the Board's handling of the matter. Board Member Crate asked Board Counsel Menicucci about the tape recordings and the clarification they provided as to Orion's actions. Board Counsel Menicucci said Investigator Botello had interviewed Mr. Hohenstein via telephone. Although the recording was not very high quality, Board Counsel Menicucci could generally understand what was said. The recorded conversations were consistent with Mr. Hohenstein's affidavit and verbal statements via telephone with Board Counsel Menicucci. Board Member Crate asked if one vehicle "shadowed" another vehicle to insure it arrived at a destination. Board Counsel Menicucci agreed. Board Member Crate said that particular activity was not considered by the Board to fall under 648 and a similar situation could occur again without a citation. Board Counsel Menicucci agreed. If the activity was merely to observe that someone arrived at a destination in a particular manner would not be considered private patrol activity. Chairman Spencer asked if the employees were carrying product at the time. Board Counsel Menicucci said they were carrying product. Mr. Hohenstein did not know what was being transported because he did not look. Board Member Crate said he did not wish to second guess Board Counsel Menicucci, but he considered such activity to be surveillance. If something were to go wrong with the vehicle or individuals, there would be an implied responsibility on the part of Mr. Hohenstein to report it as it occurred, which would be a patrol activity. He was hesitant to allow such a loophole to expand further between observing and protecting. Board Counsel Menicucci said there was no specific reporting obligation on Mr. Hohenstein's part. He was expected to indicate if an employee did not arrive on time at the destination. Board Member Crate said it would be expected for a security officer to supply those reporting services and asked if the definition of a security officer was being redefined. Board Counsel Menicucci said, based on his interviews, Mr. Hohenstein's expected activities did not meet the definition of the duties of a security officer.

Chairman Spencer asked for a motion. Board Member Putnam moved to dismiss Citation C-004-08 against Orion Security Services, Inc., subject to all statutory and regulatory requirements. Board Member Uithoven seconded the motion. Board Member Crate voted against the motion. The motion carried.

CONSENT AGENDA:

6. **Intellicorp Records, Inc. (#1376)** requested corporate officer approval for Vincent Cialdella.
7. **Hireright, Inc. (#1449)** requested corporate officer approval for Glenn Schrank and Mark Mayo.
8. **Pendum LLC (#643)** requested corporate officer approval for David Maginsky.
9. **Wackenhut of Nevada (#721)** requested a corporate name change to The Wackenhut Corporation DBA G4S Wackenhut. Thomas Harper requested qualifying agent status. Graham Gibson, Jeffrey Cappelletti, Julie Payne, and Ian Green requested corporate officer approval for the Wackenhut Corporation.
10. **Sterling Testing Systems, Inc. (#1360)** requested a corporate name change to Sterling Infosystems, Inc. William Greenblat requested qualifying agent approval.
11. **Paragon Investigations LLC (#1061)** requested a corporate name change to Paragon Investigations, Inc. and qualifying agent status for Rick Groseclose, Jr.
12. **Pete Seebold (#510 and #510A)** requested a change in licensing status. Templar Security and Protective Services, Inc. requested a corporate Private Investigator license and a corporate Private Patrolman license. Pete Seebold requested qualifying agent status and corporate officer approval.
13. **Michael McPeake** requested a change in licensing status. B West LLC DBA B West requested a corporate Private Patrolman license. Michael McPeake asked for qualifying agent status and, if approved, asked to place his individual Private Patrolman license into abeyance. He also requested corporate officer approval.
14. **Weiser Security Services, Inc. (#1400)** requested qualifying agent status for Dan Crate, Private Patrolman category.
15. **WSA Security, Inc. (#616)** requested qualifying agent status for Phillip Satterfield.
16. **William Cage (#901 and 901A)** requested a change in licensing status. William Cage and Associates, LTD requested a corporate Private Investigator license and a corporate Private Patrolman license. William Cage asked to place his individual licenses into abeyance if approved. He also asked for corporate officer approval.
17. **Stephen Bellows (#1548)** requested a change in licensing status. SGB Investigations LLC requested a corporate Private Investigator license. Stephen Bellows requested qualifying agent status and corporate officer approval. He also asked to place his individual licenses into abeyance if approved.
18. **John Andre Francois (#1150 and #1150A) DBA Archangel Investigations & Protection** requested a change in licensing status. Archangel Technologies requested corporate Private Investigator license and a corporate Private Patrolman license. John Francois requested qualifying agent status and corporate officer approval. He also asked to place his individual licenses into abeyance if approved.
19. **Michael Clarke (#935) DBA Archangel Technologies & Protection** requested a change in licensing status. Archangel Technologies & Protection applied for a corporate Private Investigator license. Michael Clarke asked for qualifying agent status and corporate officer approval. He also asked to place his individual Private Investigator license into abeyance if approved.

20. **Wesley Jennings (#1210) DBA Night Eagles Security** requested a change in licensing status. Total Security Solutions, Inc. applied for a corporate Private Patrolman license. Wesley Jennings requested qualifying agent status and corporate officer approval. He also asked to place his individual Private Patrolman license into abeyance if approved. **(WITHDRAWN-DID NOT APPEAR AT MEETING)**

Chairman Spencer noted that items could be pulled from the consent agenda. Board Member Crate asked to pull Item #9, Item #10, Item #11, Item #12, Item #13, Item #16, Item #17, Item #18, and Item #19 from the consent agenda. Chairman Spencer asked for a motion for the remaining items. Board Member Crate recused himself from voting. Chairman Spencer asked for a motion for Item #6, Item #7, Item #8, Item #14, and Item #15. He noted Item #20 had also been pulled from the consent agenda. Board Member Grasso moved to approve Item #6, Item #7, Item #8, Item #14, and Item #15 on the consent agenda. Board Member Putnam seconded the motion, which passed.

Chairman Spencer asked Board Member Crate to speak regarding Item #9, which was a request by **Wackenhut of Nevada** for a corporate name change and officer approval. Board Member Grasso asked Tom Harper to be seated by the microphone for the agenda item. He identified himself. Board Member Crate explained that he asked to pull the item because of the use of the term G4S Wackenhut. A change of officers for Milestone Holdings One was also part of the agenda item. He recognized a fairly lengthy explanation had been given at the previous meeting regarding the use of the name G4S and Wackenhut. His concern was the separation of the companies. The commonality of the G4S for multiple companies was deceptively similar and would suggest the request to use the DBA not be approved. He asked if Mr. Harper cared to address the issue. Mr. Harper said he believed the issue was addressed at the previous meeting by corporate counsel. He said the intent was to abolish Wackenhut of Nevada and operate under the name G4S Wackenhut. Board Member Crate asked if he was suggesting that the existing G4S would incorporate G4S Wackenhut. Mr. Harper did not understand the question. He explained Wackenhut of Nevada was created years ago, but he did not know the reason. He said it was the only company operating under a separate name. The intent was to obtain approval for the Wackenhut Corporation to operate under G4S Wackenhut and abolish Wackenhut of Nevada to make it part of the rest of the corporation. He said he believed these questions were answered at the previous meeting when legal counsel was present at the Board meeting. Board Member Crate said he recalled that charts and graphs had been provided regarding organizational structure at that meeting. It still appeared to him that multiple licenses were being requested as opposed to one common license operating under various DBAs. His concern was that he had yet to see the need for multiple licenses. He did not feel there had been an adequate explanation as to why the separation was necessary. He knew the reason for granting two licenses initially to Wackenhut, as it occurred at the first Board meeting he attended as a member. Mr. Harper said he understood the reason for the separate licenses was that the Department of Energy

requested it. It had no bearing on commercial guard operations. He had no knowledge of the role of G4S International. Board Member Crate asked Mr. Harper for the need for two separate licenses. Mr. Harper said he had no experience with armored car services. His expertise was with the commercial guard services and he was not comfortable with the responsibility for other services. Board Member Crate asked why one person could not be responsible for all corporation activities in Nevada. Mr. Harper said it was inappropriate to ask him to be responsible for services with which he was unfamiliar. He said he knew nothing about alarm systems. He understood his portion of the business, but not other aspects of the security business. He should not be held accountable for their actions. Board Member Crate asked if Wackenhut Corporation should be accountable to the general public. Mr. Harper said it was accountable to the general public. Board Member Crate asked Mr. Harper to explain the purpose of G4SI International. Mr. Harper did not know. He had never met anyone from that organization and had no knowledge of the services they provided. Board Member Crate asked him about G4S Compliance and Investigation. Again, Mr. Harper did not know, as he had no dealings with them. Board Member Crate asked Executive Director Ray how many licenses G4S had with the Board. She said G4SI International, Inc. was licensed, which she believed was the armored car company. G4S Compliance and Investigation was also licensed, as well as the DBA for Wackenhut of Nevada. She said all were operating as separate corporations. Board Member Crate asked if the parent corporation was Milestone. Executive Director Ray said that was correct. Board Member Crate asked if Milestone oversaw the three companies. She did not know the corporate structure, but Milestone was the parent corporation. That information had been provided at the previous meeting. She noted a specific question had been asked at the last meeting. She read from the minutes that Board Counsel Menicucci asked Mr. San Juan if G4S International was owned by G4S PLC. Mr. San Juan affirmed the question. Board Member Crate asked if there were any intermediaries. Mr. San Juan believed there was one intermediary holding company. Board Counsel Menicucci said there was no dispute over the use of the G4S name. Mr. San Juan said it was an international agreement that the name G4S was authorized to be used by entities world-wide. Monica Kolbly provided paperwork for the Board. Executive Director Ray was unsure if Monica Kolbly or Mr. San Juan provided the documents. Chairman Spencer asked if Board Member Crate's concern was that the use of the name G4S was common to the various entities. Board Member Crate agreed. That was the bulk of his concern. He could understand there would not be a general public concern between an armored car entity and a uniformed guard entity. He did see a problem between two uniformed guard entities operating in the same state with the same visual identifier of G4S. It was intentionally deceptive to the general public. He said the reason given back in 1993 when the second license was obtained was a liability issue to keep the workmen's comp costs down. His concern was the need for two separate entities with deceptively similar names. They should be identified separately. He explained that Board staff approval for uniforms was to protect the public from being misled by similar uniforms, patches, and the like. Executive Director Ray stated that there were multiple ChoicePoint companies that operated independently and were under one parent corporation.

Board Counsel Menicucci spoke about the concern about limitation of liability. He suggested that one could look at each of the corporations separately to see if any were undercapitalized, which would cause a risk due to inadequate resources, rather than the fact that each was a separate company. It commonly occurred in the corporate world for a parent corporation to have a number of subsidiaries using same or similar names in different states. The concern in those circumstances was the possibility of either an undercapitalized or a sham corporation. He did not see that in the current case. Mr. San Juan was willing to explain the distinctions at the previous meeting. Board Counsel Menicucci noted that some of the distinctions derived from government requirements that caused the corporation to form separate entities. Board Counsel Menicucci said, if he understood Mr. San Juan correctly, his goal was to consolidate under one name most of the subsidiaries and sister corporations. He could not speak for Mr. San Juan or for the company in its intention in forming the various entities. Mr. San Juan had offered to appear before the Board again if necessary. Board Member Crate again said he was confused by the corporate officer approval was being requested by Milestone Holding One. He felt Milestone Holding One should be the licensee with the various DBAs. Executive Director Ray explained that, the way the statutes were structured, the corporations had to be licensed and were the ones who provided service. The corporations were separate corporate entities and were not functioning as DBAs. Board Member Crate asked Mr. Harper if it had not been indicated earlier that he was the only corporation organized in this manner. Mr. Harper said there was a campaign to organize under the G4S name. Board Member Crate asked if there was a reason for that yet. He asked if there was a future plan to combine current licenses with which Mr. Harper could eventually merge in Nevada. Mr. Harper said that was not planned.

Board Member Crate asked if Wackenhut of Nevada did not currently have any activity in compliance or investigations. Mr. Harper said it did not and had never done that work. Board Member Crate had no further questions. Chairman Spencer said the Board had dealt with this issue previously of multiple licenses for one company. Board Member Crate said he had no concern with Wackenhut of Nevada (#721) changing its name to Wackenhut Corporation. His objection was with listing a DBA as G4S Wackenhut and felt it was deceptive to the general public. He would object less to G4S Wackenhut DBA Wackenhut Corporation. He again stated that the same patch would be worn at different venues throughout the state by companies that were not related. Chairman Spencer asked for a motion, but none was offered. He then asked what Board Member Crate would suggest to eliminate his concerns. Board Member Crate said he would prefer to drop the name DBA G4S Wackenhut for today's purposes. He said that was not likely, however, as the company was already uniformed as such. He had no problem with approving corporate officers for Wackenhut Corporation, as they were a licensed, established corporation. He was not sure of the resolution of G4S or what to require of the applicant or corporation, other than they could provide some sort of explanation making a distinction among the different operations to the general public. Chairman Spencer asked if there were previous G4S Wackenhut approvals. Executive Director Ray said she could not recall if the G4SI patch was the same as the G4S Wackenhut patch. Board

Member Grasso asked Mr. Harper if he knew about the various patches. He had never seen the G4SI patches. Chairman Spencer asked for a motion. Board Member Grasso said she would make a motion based on the legal advice that there were distinctions between the two identities. She moved to approve the request of Wackenhut of Nevada (#721) for a corporate name change to The Wackenhut Corporation DBA G4S Wackenhut, to approve Thomas Harper as qualifying agent, and to approve Graham Gibson, Jeffrey Cappelletti, Julie Payne, and Ian Green as corporate officers, subject to all statutory and regulatory requirements. There was no second.

Board Counsel Menicucci said if the Board did not approve the license, the corporation could not go forward. One option would be to require an explanation for the G4S name and logo to be provided for the next meeting. Board Member Uithoven suggested approving the corporate officers and examining the DBA G4S Wackenhut. Chairman Spencer said he was equally concerned that perhaps G4S has not been approved, yet the patches were appearing on the street. Executive Director Ray said there was a DBA in place. Board Counsel Menicucci asked if the DBA had already been registered. Executive Director Ray said she believed it was registered with Reno and Clark County. Board Member Crate asked that the request was for a new license, which was the reason Mr. Harper was present to be approved as the qualifying agent. He noted that a new license was being requested for a company that had a license. Wackenhut of Nevada was already licensed and wished to change to Wackenhut Corporation. Executive Director Ray said Wackenhut of Nevada would be dissolved. Board Member Crate said the Board was "sliding into" the DBA G4S as a necessity for creating the new license and that was part of his concern. He said the Board was being asked to formally recognize G4S as a separate entity from G4S Compliance and Investigations and the armored car branch. He said if an existing DBA of Wackenhut of Nevada was on record, he did not see the harm in allowing it to continue. The corporation could reappear before the Board with a more detailed explanation addressing his concerns. He did not want to be the sole Board member holding up the process if the other Board members disagreed with his concerns. Board Member Grasso asked if she could restate her motion and omit the term "DBA G4S Wackenhut". Chairman Spencer said that was a reasonable motion.

Board Member Grasso moved to grant a corporate name change for Wackenhut of Nevada (#721) to The Wackenhut Corporation, to approve Thomas Harper as the qualifying agent, to approve Graham Gibson, Jeffrey Cappelletti, Julie Payne, and Ian Green as corporate officers for The Wackenhut Corporation, and to approve Julie Payne and Grahame Gibson as corporate officer for Milestone Holding One, subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which carried. Board Member Crate requested an explanation or justification of the continued use of the DBA G4S to be presented at the next meeting. Chairman Spencer asked Mr. Harper who could provide the information. Mr. Harper said Mr. San Juan would be the individual. Chairman Spencer asked him to forward the request to Mr. San Juan, and he agreed to contact him.

Item #10 was a request from **Sterling Testing Systems, Inc. (#1360)** for a name change. Board Member Crate's only concern involved whether or not there was a change in corporate officers involved in the request. Executive Director Ray said no officers were listed on the agenda because there were no changes. It was a past practice that previously approved officers were not listed. There were no changes in the corporate structure. Board Member Crate moved to approve Sterling Testing Systems, Inc.'s request for a corporate name change to Sterling Infosystems, Inc., and to approve William Greenblatt as the qualifying agent, subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which carried.

Item #11 was a request from **Paragon Investigations LLC (#1061)** for a corporate name change. Board Member Crate said he had the same concerns if there were any corporate officer changes. Executive Director Ray said there were no changes in corporate officers; the request was to change from an LLC to a corporation with no change in license number. Board Member Crate asked if Executive Director Ray knew that each of the previously approved officers were members. He said he believed there was a structural designation of members and managers. Executive Director Ray could not answer that without looking at the file. When Board staff received a list of corporate officer or members, backgrounds were performed on those individuals. Board Member Crate said he asked to pull the item from the consent agenda because of the LLC issue. He wanted the Board to be able to identify and disclose the principles and how they were defined. He said an advantage of an LLC, as he understood it, was that the controlling interest did not have to be disclosed in filings. He wasn't sure if that information did not have to be disclosed to the Board, as the Board requested information on the three principles of the company. He said that was a major reason he asked to pull the items. Executive Director Ray referred to the regulations which defined a corporation to include both limited liability corporations and foreign limited liability companies. Staff ran backgrounds on the top three officers of corporations and the director. The same practice held true for LLC applications. The documents issued by the Secretary of State were quite simple and listed the officers or directors. There was no provision in place to run backgrounds on shareholders or those who had an ownership interest. Staff did not always know that information. Chairman Spencer agreed with Board Member Crate in that someone who held a majority interest may not have been previously approved by the Board and that would not protect the public interest. Executive Director Ray explained that nine times out of ten, items on the consent agenda were simply status changes and only involved the people making the request. Without divulging particular information, she noted that recently an individual requesting a status change had been less than truthful with staff. She did believe some changes could be made on consent items. Staff did ask for articles and corporate minutes, but did not always have access to that information. If an applicant was found to have provided incomplete information at a later date, then further action could be taken. Board Counsel Menicucci saw nothing wrong with asking if anyone was involved in the new entity who had not previously been approved by the Board. He

noted the current request was a change to a corporation. Chairman Spencer said anyone involved should be revealed and subject to approval. Board Counsel Menicucci said they would be subject to all statutory and regulatory requirements. Board Member Crate said some applications listed no officers whatsoever, but there may be certain individuals with a primary financial interest in the LLC. He suggested the Board should formulate questions to ask LLC applicants to insure the total financial picture was explained for the Board. Chairman Spencer suggested a statement could be added to the application certifying that all stockholders should be disclosed. Board Member Crate said a financial interest exceeding a certain percentage should be disclosed. Board Counsel Menicucci asked about new corporations who were formerly with an LLC. He did not feel new investigations were needed in that case. Board Member Crate's concern was with the potential that someone could take an active license to use for money laundering. Chairman Spencer asked if staff could be directed to work with Board Counsel Menicucci to craft a statement to add to the application addressing the issue. Board Member Crate said anyone with membership interest exceeding 15%-25% of the total should be disclosed. Board Member Putnam asked Board Counsel Menicucci about a proposed motion. He asked if he could move to approve the change of status for Paragon Investigations, Inc. contingent upon the fact that there was no change in officers. Board Member Crate said anyone can be named an officer for an LLC. Board Member Putnam asked if the officers had previously been investigated for the officers of Paragon Investigations LLC. Executive Director Ray said that had occurred. Board Member Putnam asked counsel, if no changes in officers had occurred, he could make his motion. Board Counsel Menicucci said the Board had a concern that a majority owner may be in place of which it was unaware.

Chairman Spencer said if approval was granted, he asked if motions could be made for the remainder of the consent items contingent upon the disclosure of that information. Board Member Crate asked about a regulation change to make the matter clear. Executive Director Ray asked if the Board was asking staff to run the same background on the individuals in question as those run on members and officers. Chairman Spencer said that was correct. Executive Director Ray said a regulation change would need to be made. Executive Director Ray said no one was present for Paragon.

Board Member Putnam moved to approve the request made by Paragon Investigations LLC (#1061) for a corporate name change to Paragon Investigations, Inc., to approve Rick Groseclose, Jr. as qualifying agent, contingent upon the fact that there had been no changes in officers or financial interests as disclosed by Paragon Investigations, Inc., subject to all statutory and regulatory requirements. Board Member Uithoven seconded the motion, which carried.

Item #12 was a licensing status change request from **Pete Seebold (#510 and #510A)**. Chairman Spencer asked Mr. Seebold if he had followed the concerns that were just presented. He said he understood and was the sole owner. Board Member Crate asked for clarification regarding Mr. Greener's relationship to Templar Security and Protective Services, Inc. Mr. Seebold explained that Mr. Greener was

an insurance agent and also an attorney. He offered to assist Mr. Seebold in providing insurance as a licensed agent in Nevada. Board Member Crate was confused by Page 15 in the background information, which showed that Mr. Greener was giving consent to Mr. Seebold to use the Templar Security name. Mr. Seebold was unsure why the form stated such because Mr. Greener did not own the name. He said the Secretary of State required the form to be filled out in that manner because Mr. Greener was the resident agent. He offered to call the Secretary of State's office to clarify the matter. Board Member Crate noted Page 14 was a Resident Agent acceptance form and asked Mr. Seebold to request clarification at the Secretary of State's office for both forms. It read as though Mr. Greener had rights to the Templar name and an agreement was made to allow Mr. Seebold to use that name. Board Member Crate also noted Page 16 was a Name Reservation form and perhaps that was the reason for the preceding two pages. Mr. Seebold agreed. Board Member Crate moved to approve a change in licensing status for Pete Seebold (#510 and #510A), to grant Templar Security and Protective Services, Inc. a corporate Private Investigator license and a corporate Private Patrolman license, to grant Pete Seebold qualifying agent and corporate officer status, subject to all statutory and regulatory requirements. Chairman Spencer seconded the motion, which carried.

Item #13 was a licensing status change request from **Michael McPeake**. Executive Director Ray said Mr. McPeake was not present. Executive Director Ray explained that Mr. McPeake's individual license was in abeyance and he had been the qualifying agent for Triple Canopy. His request was similar to the previous item. Staff would need to receive confirmation from Mr. McPeake that the concerns expressed by Board Member Crate were not applicable to this request. Board Member Crate moved to grant a change in licensing status to Michael McPeake (#1366), to grant B West LLC DBA B West a corporate Private Patrolman license, to grant Michael McPeake qualifying agent status and corporate officer, his individual Private Patrolman license to be placed in abeyance so he could become the qualifying agent, and that Mr. McPeake would provide to the Board confirmation in writing that there were no additional officers or undisclosed financial interests, subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which passed.

Item #16 was a change in licensing status request from **William Cage (#901 and 901A)**. Executive Director Ray noted this request was similar to the previous requests and that Mr. Cage was not present. Chairman Spencer asked for a motion. Board Member Crate moved to grant William Cage a change in licensing status, to grant William Cage and Associates LLC a corporate Private Investigator license and a corporate Private Patrolman license, to approve Mr. Cage as qualifying agent and corporate officer, to place his individual licenses in abeyance so he could become the qualifying agent, and that he affirm in writing to the Board that no additional officers or other financial interests associated with the name

change, subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which carried.

Item #17 was a licensing status change request from **Stephen Bellows (#1548)**. Executive Director Ray said Mr. Bellows would not be present, but she did have an opportunity to speak with him the previous day. She asked him if he was the only individual involved in the status change, and that was correct. Board Member Crate moved to grant Stephen Bellows a change in licensing status, to grant SGB Investigations LLC a corporate Private Investigator license, to approve Stephen Bellows as qualifying agent and sole officer, to allow Mr. Bellows's individual license to be placed in abeyance so he could become the qualifying agent, and that Mr. Bellows would affirm in writing that there are no other officers or financial interests associated with the change, subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which carried.

Item #18 was a licensing status change request from **John Andre Francois (#1150 and #1150A), Archangel Technologies, Inc.** Chairman Spencer addressed an issue of names with the next two agenda items and asked if either licensee was present. Mr. Francois was present, but Mr. Clarke was not in attendance. Mr. Francois's company was Archangel Investigations & Protection and Mr. Clarke's company was Archangel Technologies & Protection.

Executive Director Ray asked staff if anything in writing on the issue had been received. Investigative Assistant King said only phone calls on the issue had occurred. Chairman Spencer asked if Mr. Francois if he had contacted Mr. Clarke. He attempted to contact Mr. Clarke, but had not received any phone calls in return. Mr. Francois had no concern about the similarity in names. Since 2002, when he became licensed, there had never been any issues or complaints about the names. Board Member Crate asked Mr. Francois to walk him through the business he had undertaken since becoming licensed. Mr. Francois said he was licensed in 2002. In 2006, he became the qualifying agent for Intellicorp. Board Member Crate asked him if he had a DBA initially. Mr. Francois said the company was a corporation. He asked Mr. Francois what became of Archangel Investigations & Protection in September 2006 when his status changes. Mr. Francois said he believe the license was placed in abeyance. Executive Director Ray said Mr. Francois's individual licenses were placed in abeyance, but the corporation license typically was not placed in abeyance for that length of time. She asked Mr. Francois if his licenses went into abeyance when he went to Iraq, and he said that was correct. Chairman Spencer asked if he was on active duty, and he agreed. Chairman Spencer asked when Mr. Clarke was licensed. Executive Director Ray said he was licensed (#935) in 1999 and Mr. Francois (#1150) was licensed in 2002. Chairman Spencer asked if there were no formal complaints. Investigative Assistant King said Mr. Clarke had expressed a concern. Chairman Spencer said his concern should be put in writing. He asked for a motion. Board Member Grasso moved to grant a change in licensing status to John Andre Francois (#1150 and #1150A), to grant

a corporate Private Investigator license and a corporate Private Patrolman license for Archangel Technologies, Inc., to grant Mr. Francois qualifying agent status and that his individual licenses were to be placed in abeyance so he could become the qualifying agent, and to grant him corporate officer status, subject to all statutory and regulatory requirements. Board Member Uithoven seconded the motion. Chairman Spencer asked if there were other stockholders or licensable individuals involved in the corporation. Mr. Francois said there were none. The motion carried.

Item #19 was a licensing status change request from **Michael Clarke (#935) DBA Archangel Investigations & Protection**. Board Member Crate said Archangel Technologies was previously licensed. He said License #935 was a DBA that was now asking to become a corporation. He felt that technically, this request was second. Board Member Grasso asked Mr. Francois if he had any objections to Mr. Clarke's use of the name Investigations & Protection. He said he had none. Board Member Crate moved to grant a change in licensing status for Michael Clarke (#935) DBA Archangel Investigations & Protection, to grant Archangel Investigations & Protection a corporate Private Investigator license, to approve Michael Clarke as the qualifying agent and place his individual Private Investigator license into abeyance, and to approve Mr. Clarke as a corporate officer, subject to all statutory and regulatory requirements. Board Member Grasso seconded the motion, which passed.

PRESENTLY LICENSED CORPORATIONS REQUESTING NEW QUALIFYING AGENT:

ADT Security Services, Inc. (#1338) requested qualifying agent status for **Alan Reza** in the Private Patrol license category. Chairman Spencer asked if Mr. Reza was previously licensed, and he said he was not. Mr. Reza had worked in the private security field since 1987 and in armed security since 1988 in southern California. He began working for ADT in 1989 and had been with that company for over 18 years. He held no other licenses other than firearms. Board Member Crate asked Mr. Reza if he was currently registered in Nevada. He said he had a security registration card from the state. Board Member Putnam asked if License 1338 was held by ADT Security. Chairman Spencer said that was correct and Mr. Reza was asking to become the qualifying agent. Board Member Putnam asked about an incident which occurred January 13, 1994 involving Mr. Reza's possession of a sawed-off shotgun. Board Member Putnam asked for the whereabouts of the shotgun. Mr. Reza said it had been destroyed by the LA County Sheriff's Department. Board Member Putnam asked why Mr. Reza sawed off the shotgun. Mr. Reza said his friend bought the gun. The gun came with two barrels. He modified the length and left the gun in his closet. The firearm was not involved in the dispute between Mr. Reza's sister and uncle. Board Member Putnam said his question specifically regarded the gun itself. He again asked why Mr. Reza cut off the firearm. Mr. Reza said it was to make the gun look good in his closet. Board Member Putnam asked if he knew it was against the law to do that, but he said he did not. Chairman Spencer asked how old Mr. Reza was at the time. He was not sure, but assumed he was 21. Board Member Putnam asked about a June

1986 arrest for robbery. A stolen handgun was found in his possession, as well as a police baton and badge with the number ground off. Mr. Reza indicated he had purchased the items from a friend. Board Member Putnam asked why he bought those items. Mr. Reza said he was about 17 at the time and was a collector. He bought the items and then forgot about them. They were found in his car. The charges were dismissed in juvenile court. Board Member Putnam's concern was not with the legality of the search. He was more concerned with Mr. Reza's possession of the items. He asked if Mr. Reza was arrested, and he said he was. He listed the arrest on his application. He did not have the application in front of him. He had discussed the matter with Investigator DuPuis. Investigator DuPuis affirmed the item had been discussed. Board Member Crate asked Board Counsel Menicucci about the inability of the Board to grant a license to a person who had been convicted of use of a deadly weapon. He said the charge was reduced to a misdemeanor regarding the sawed-off shotgun, but was later dismissed and expunged. The applicant was still required, however, to disclose the issue on the application. He said it was an expungement with strings attached. He asked if, since the Board was aware of the matter, it had the option to grant a license. Board Counsel Menicucci asked which section of the statutes was being considered. Chairman Spencer said it was NRS 648.110. Board Counsel Menicucci noted at one time a conviction did exist. He could not find letter of expungement. Mr. Reza said the letter from the judge was provided in his packet. Board Member Crate said, even though there was an expungement after a dismissal, the Board was still aware the incident happened. Investigator DuPuis said an expungement was included in Mr. Reza's application. Mr. Reza said he submitted the information. He understood that he no longer had to declare the matter, since an expungement existed. He provided the information so that no one would be surprised by the information. He was sorry the incident had occurred. Board Member Crate said even though the expungement may exist, there was still a requirement (section 1203.4 CPC) that the applicant disclose the information. Investigator DuPuis said that was correct. For the purposes of licensing by state regulatory agencies or in the application for peace officer positions, that section mandated disclosure. He again stated that Mr. Reza disclosed that information. Board Member Crate noted that Mr. Reza's inclusion of the information was not entirely voluntary, but was a requirement. Investigator DuPuis agreed. Chairman Spencer asked if the issue that was expunged was a conviction. Investigator DuPuis said in his reading of the court documents, there was a motion by the district attorney's office to reduce the charge from a felony to a misdemeanor under Section 17B of the penal code. Subsequent to the motion, the case was dismissed by the district attorney's office. After the case was dismissed, Mr. Reza sought an expungement. He was never convicted. Investigator DuPuis explained that the dismissal meant that the district attorney's office chose not to proceed with the case. Board Member Crate said, as Mr. Reza was not convicted, the Board would not be precluded from granting a license. Board Member Putnam noted Mr. Reza previously stated he was not aware that it was illegal to have the particular sawed-off shotgun. He asked Mr. Reza if he was aware it was illegal at the time it was confiscated. Mr. Reza said he knew of it after the deputy sheriffs told him. He was not arrested. His uncle was arrested for terrorist threats. Board

Member Putnam again asked Mr. Reza that, until the time it was confiscated, he did not know the shotgun was illegal. He again said he did not know until then. Board Member Putnam noted that it was a violation of both state and federal law to reduce the barrel length of a shoulder weapon to less than 18 inches. Mr. Reza said he now knew that. Board Member Crate asked what weapon was involved when Mr. Reza was arrested by the Whittier police for possession of a dangerous weapon when he was 18. Mr. Reza asked if the incident occurred when he was 16 or 18. Board Member Crate said it occurred in 1986 and asked what year Mr. Reza was born. Mr. Reza was born in 1968. Chairman Spencer said he would have been 18. Mr. Reza said it regarded the incident with the badge, baton, and firearm. Mr. Reza said it was a small firearm. Board Member Crate asked if there was a conviction for possession of a dangerous weapon. Mr. Reza again stated that the charges were dismissed by the judge on the first day of court due to an illegal search. Board Member Crate said his concern was that on two occasions Mr. Reza acknowledged possession of weapons he should not have possessed. Mr. Reza agreed. Board Member Crate said, regardless of how the weapons were found, Mr. Reza was ultimately convicted. He noted Mr. Reza did not deny he was in possession of a stolen gun and a sawed-off shotgun. Mr. Reza explained that he did not know the gun had been stolen at the time when he purchased it. He said these situations occurred when he was a juvenile and he was now 41 years old. He was able to receive and hold weapons and the proper permits in California. The incidents occurred prior to the security work he had since performed as an adult, except for the situation with his uncle and sister. Chairman Spencer asked if he had worked for ADT for 19 years. He said he started with ADT in 1989. Chairman Spencer asked if Mr. Reza had no arrests during that time. Mr. Reza said the only incident was the one involving the shotgun, his uncle, and his sister. Board Member Putnam asked Mr. Reza about one of the forms he had completed asking if he had ever worked for a foreign intelligence organization. Mr. Reza marked that "Yes", but Board Member Putnam assumed that was done in error. Mr. Reza agreed that was marked in error. Chairman Spencer asked Investigator DuPuis if he was satisfied with Mr. Reza's responses and qualifications. Investigator DuPuis said he had a very lengthy conversation with Mr. Reza with regards to the matter and was very forthcoming. Investigator DuPuis verified with the courts and various law enforcement agencies involved that the information Mr. Reza provided was correct. The only item Investigator DuPuis had been unable to verify was the case involving the incident Mr. Reza indicated was dismissed due to a bad search. That information had been purged by both courts and law enforcement. Based on Mr. Reza's forthcoming nature, Investigator DuPuis said the information was probably true and correct. Board Member Grasso noted the age of the incidents that had been discussed and that Mr. Reza had a clean background since those incidents. Board Member Grasso moved to grant qualifying agent status to Alan Reza for ADT Security Services, Inc. (#1338) in the category of Private Patrolman subject to all statutory and regulatory requirements. Board Member Uithoven seconded the motion, which passed.

Board Member Grasso advised the Board that the next applicant under the current agenda heading requested a closed hearing. Chairman Spencer asked those present at both locations to stand by and

their requests would be heard. Before the closed session, Item #45 was addressed, which was under Administrative Business.

Administrative Business:

The agenda item (#45) involved an investigative report to the Board regarding allegations from previous Board meetings as to whether or not Howard Levinson was fulfilling his qualifying agent obligations for Howard Services.

Mr. Levinson explained the unique challenges of the requirements to perform mystery shopping business in Nevada. Mystery shopping did not constitute the typical definition of private investigation. Mystery shoppers observe company standards while posing as customers, such as noting the cleanliness of an establishment, if a customer wanted paper or plastic, if a customer wanted a super-sized burger, or if the coffee was served at the proper temperature. The company obtained a Private Investigator license. He understood that Private Investigators were highly skilled. Only two firms specialized in mystery shopping based in Nevada. A few other firms had offices out-of-state. Howard Services rarely performed any other type of investigation and represented little competitive threat to other investigative firms in the state. He noted an ongoing dispute between his company and Peter Maheu's company. They were competitors. Tom Mills sat down with Mr. Maheu in the past to try to make peace, but that did not occur. Mr. Levinson sold a majority interest in the company to his former partner in 2006. He stayed on as a minority owner to oversee the Nevada operations. He recently sold his remaining interest. Several months ago, negotiations began for Frank Petrasich to become the qualifying agent, but that did not occur. Mr. Levinson never submitted any indication that his status had changed. He remained on salary with Howard Services and still oversaw the Nevada operations as he had done for many years. The local Nevada office had 4-5 employees and he insured that Nevada laws and rules were followed.

Mr. Levinson came to Nevada 4-8 times every year. The stays lasted from a few days to a few weeks. There was no gap in his oversight of the business for Howard Services. His business was based in Massachusetts and did not conduct business in Nevada. He addressed Mr. Maheu's previous comment at the previous meeting and he read from the minutes of that meeting. Mr. Maheu questioned Executive Director Ray about the percentage of business Mr. Levinson owned and that he was not an active qualifying agent in Nevada. Mr. Levinson again stated he had travelled to Nevada 4-6 times in the past 12 months. He owned 1% of the company and had sold the remainder to Tom Mills. He said Mr. Maheu should have checked the Massachusetts Attorney General's website, where he could have free access to information, as any competent investigator might do. He took issue with Mr. Maheu's statement that Frank Petrasich told him that Howard Services had no qualifying agent in place. He said Mr. Maheu hired Frank Petrasich years ago, let him go, but kept his clients from Blue Tree Investigations. Mr. Petrasich told Mr. Levinson that he would not speak to Mr. Maheu after that occurred. He again stated he never ceased to act as qualifying agent and never submitted any paperwork that he was no longer the qualifying agent. He disagreed with Mr. Maheu's statement that he did not have a problem with Mr. Levinson becoming a

licensee, but he said Mr. Levinson had not had an active role in the company for some time. Mr. Levinson said Mr. Maheu had no factual basis for his statement and it was untrue. He then addressed Board Member Uithoven's statement from the previous meeting that speculation had been made that someone had been out of the country for a year. Mr. Levinson had not been out of the country for more than two weeks during the past year. Mr. Maheu said previously that employees worked for both his company and Mr. Levinson's company. Mr. Maheu also stated that the Board was unaware of the work done by either company. He disagreed with that statement. Mr. Maheu said he did not know why Mr. Petrasich withdrew his application. Mr. Maheu said Mr. Mills had a huge falling out with Frank Petrasich. Mr. Maheu also said the company was sold two years ago. Mr. Levinson said it was unlikely that Mr. Maheu and Mr. Petrasich were speaking and he did not believe Mr. Maheu's statement was correct. Mr. Mills told Mr. Levinson that there had been no falling out with Frank Petrasich. Mr. Levinson clarified that the company was sold three years ago, and not two. Mr. Levinson addressed the discussion from the previous meeting that Howard Services had been operating without a qualifying agent. He said the matter was irrelevant, as he never ceased to be the qualifying agent. Mr. Levinson then remarked that Mr. Maheu's statement that Mr. Petrasich was in negotiations previously to become the qualifying agent for Howard Services. It became unnecessary for Mr. Petrasich to become qualifying agent, as the agreement was extended for Mr. Levinson. He hoped his statements cleared up any questions the Board may have on the issue. He noted that much incorrect information had been provided to the Board, it was anti-competitive and "enough was enough". Mr. Levinson and Howard Services had done everything that was expected of them and had done nothing wrong. Audits performed had resulted in nothing but successful reports. He asked that the matter be put to rest. He wanted the anti-competitive attacks and harassment to stop. He did not want to waste the Board's time with such abuse of the system. He thanked the Board for the opportunity to address them about the issue and would answer any further questions.

Board Member Crate asked if there was a change of ownership in the company since it was initially licensed. Mr. Levinson said that was correct. Board Member Crate asked if there was an update in the contract of employment to update that he would act as qualifying agent. Mr. Levinson said not currently, as they were still operating on an extension of the original contract. Board Member Crate said some time had elapsed, regardless of any allegations made in the interim. At a minimum, Mr. Levinson should supply an updated qualifying agent agreement with the new ownership representatives. Mr. Levinson asked him to clarify his request. Board Member Crate suspected the individual representing the corporation was currently different than the one who signed the contract originally. Mr. Levinson said Mr. Mills was also involved in the original paperwork. Board Member Crate asked if Mr. Levinson would prefer to not update the contract of employment. Mr. Levinson said he would do whatever the Board required. Chairman Spencer thanked Mr. Levinson for taking the time to provide the information. Mr. Levinson had satisfied any concerns that may have arisen of which Chairman Spencer was aware. Mr. Levinson thanked the Board.

PRESENTLY LICENSED CORPORATIONS REQUESTING NEW QUALIFYING AGENT:

Chairman Spencer asked anyone not connected to Item #22 to vacate Room 4500 and the Mock Courtroom. That item entailed a closed hearing as requested by the applicant. After the closed portion was finished, Chairman Spencer asked to have the members of the audience at both locations rejoin the meeting. Board Member Putnam moved to grant Mr. Kessler an individual Private Investigator license to be placed in abeyance so that he could be the qualifying agent for TruthFinder Investigations LLC (#1334), subject to all statutory and regulatory requirements. Board Member Crate seconded the motion, which passed.

American Security and Protective Services, Inc. (#724 and 724A) requested qualifying agent status for **Anthony Galante**. Mr. Galante began working for Rybar and Associates in 1997 with Mike Stanzik. He worked in both private investigation and security. Board Member Crate moved to grant Anthony Galante an individual Private Investigator license to be placed in abeyance so he could become the qualifying agent for American Security and Protective Services, Inc. for both Private Investigator and Private Patrol, and to recognize Mr. Galante as the sole corporate officer, subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which passed.

PRIVATE INVESTIGATOR:

Defense Investigators Group applied for a corporate Private Investigator license and **Alan Rogers** requested qualifying agent status. Mr. Rogers had been a Private Investigator for over 25 years. He began working for Pinkerton and Marshall's. He then opened his own business, A.P. Rogers and Associates, in the early 1980s. He merged the company with Defense Investigations in 1995 and had been a director ever since. Board Member Putnam moved to grant Alan Rogers an individual Private Investigator license to be placed in abeyance so he could become the qualifying agent for Defense Investigators Group, and to approve Donal Anderson as corporate officer, subject to all statutory and regulatory requirements. Board Member Grasso seconded the motion, which carried.

PRIVATE PATROLMAN:

The next agenda item was taken out of order. **Paramount Security, Inc.** applied for a corporate Private Patrolman license and **Michael McDonald** requested an individual Private Patrolman license. Mr. McDonald had worked in the security business more than 14 years ago. He began as a security officer and then worked in various aspects of the business. He was the CEO and president of Paramount Security for the past two years. He also served on the town counsel and the board of education. Board

Member Crate asked Investigator Whatley about a notation contained in the file. Investigator Whatley said her investigation revealed that Paramount currently had a contract in Nevada, but it was a national contract. There was one employee involved with SOS Security. Mr. McDonald did state he had provided a business profile that seemed to Investigator Whatley to be a solicitation for contracts. There had been no further investigation after her conversation. Board Member Crate asked when the profile was provided. It was determined to have occurred two weeks ago. Board Member Crate asked who received the profile. Mr. McDonald said it was a management company who contacted him. He made it very clear to them that he was not licensed in Nevada, but was in the process of applying for a license. He had no idea how they knew to contact him. His best guess was that the company had a sister company in California. He was currently licensed in California. Board Member Crate asked if Mr. McDonald explained to the company he was in the process of becoming licensed in Nevada and may need to wait for information from him. Board Member Crate asked what risk Mr. McDonald would have taken by not sending the profile. He asked what the worst thing that could happen by not sending the profile. Mr. McDonald said nothing would have happened. Board Member Crate asked what the worst thing that could happen by sending the profile. Mr. McDonald said he may not receive a license. Board Member Crate said there was a potential for future business he may receive by providing a profile with the caveat that he was not yet licensed in Nevada. He asked Mr. McDonald if his background was in sales. Mr. McDonald said his background was in operations. Board Member Putnam moved to grant an individual Private Patrolman license to Michael McDonald to be placed in abeyance so he could become the qualifying agent for Paramount Security, Inc., to grant Paramount Security, Inc. a corporate Private Patrolman license, and to approve Michael McDonald, Marbelis Montiel, and Albert Fernandez as corporate officers subject to all statutory and regulatory requirements. Board Member Uithoven seconded the motion. Board Member Crate voted against the motion. The motion carried.

PRIVATE INVESTIGATOR:

Terry Hulse & Associates, LTD applied for a corporate Private Investigator license with **Terry Hulse** as the qualifying agent. Mr. Hulse worked for over 20 years with the FBI and then retired. He had then worked for Harrah's and Fontainebleau. Board Member Putnam moved to grant Terry Hulse an individual Private Investigator license to be placed in abeyance so he could become the qualifying agent for Terry Hulse & Associates LTD, and to approve Terry Hulse as the sole corporate officer, subject to all statutory and regulatory requirements. Board Member Grasso seconded the motion, which passed.

Donald Tatone applied for an individual Private Investigator license. He had worked in private investigations for approximately 9 years. He was licensed in Indiana, his home state. He had worked in surveillance since moving to Nevada. Chairman Spencer asked if it was casino surveillance, and Mr. Tatone said that was correct. Board Member Crate asked about the July 1998 arrest. Mr. Tatone

explained that in 1997 he had worked for three months at a truck stop. During that time, the manager of the store directed the employees to give away complimentary beverages to customers purchasing \$200 or more in fuel. He followed that procedure as instructed by the store manager for three months. The district manager asked Mr. Tatone if he had been providing the free beverages. He said he had, and didn't think he had done anything wrong. The district manager told Mr. Tatone to pay \$165. Mr. Tatone was 18 years old, felt he had done nothing wrong, and did not pay the \$165 amount. He then received a misdemeanor converted charge. Board Member Crate then asked about a January 2001 incident involving public intoxication. Mr. Tatone said his father and he were celebrating the week after New Year's. A former co-worker for the Department of Corrections was involved in an altercation at the establishment. Mr. Tatone's father became involved in the altercation when he attempted to separate the people in the situation. Mr. Tatone was escorting his father out of the establishment and they slipped on ice while walking. The police had been called. They arrived on the scene and observed Mr. Tatone and his father slip on the ice. The police immediately took Mr. Tatone and his father and placed them in separate police cars. They were arrested for public intoxication. The father/son relationship was not established until the pair arrived at the police station. Board Member Crate asked if that knowledge made any difference and if that would have made them any less drunk. Mr. Tatone said he was absolutely right. The two had been drinking. Board Member Crate asked why the police had been called to the scene. Mr. Tatone explained it was because of the altercation involving his former co-worker and other patrons. When the police arrived, Mr. Tatone was attempting to remove his father from the situation. Board Member Crate asked about a DUI in February 2004. Mr. Tatone said it was operating while intoxicated. He had met with a friend, consumed alcohol, and then driven his car. Board Member Crate asked why Mr. Tatone was stopped. Mr. Tatone was travelling in the left lane which was the passing lane. Indiana has a third-lane violation for semi-trucks. A semi-truck was in the center lane and Mr. Tatone was driving beside him. The semi-truck merged left while Mr. Tatone was beside him. When Mr. Tatone attempted to avoid the semi-truck, he hit the median. He was taken to the hospital. He said he was not arrested, but charges were filed, which resulted in a conviction of operating while intoxicated. Board Member Crate asked if Mr. Tatone was a participant in any lawsuits. Mr. Tatone asked if he was referring to present lawsuits. Board Member Crate asked if there were lawsuits, present or past. Mr. Tatone said there were lawsuits in the past. Board Member Crate asked if they were personal or work-related. Mr. Tatone said the lawsuits were personal involving a management company at a property where he rented. One of the cases was heard and Mr. Tatone was awarded \$500. The second case was voluntarily resolved, so he requested that it be dismissed. Board Member Crate asked if he were the plaintiff in both cases. Mr. Tatone said both he and his wife were plaintiffs. Board Member Putnam moved to grant Donald Tatone an individual Private Investigator license subject to all statutory and regulatory requirements. Board Member Grasso seconded the motion, which carried.

It was noted that the request by **Jonathan Sullivan** was continued to the December 2009 meeting.

Thomas Bedinotti applied for an individual Private Investigator license. He had worked for Jonathan Girard at Elite Investigations since December 2005. He held a Bachelor's Degree in Criminal justice. He worked briefly for a company in New York and New Jersey in the late 1990s as an investigator. Board Member Putnam asked about Mr. Bedinotti's applications to work with the border patrol and Las Vegas Metropolitan Police Department. Mr. Bedinotti applied when he was in college and lost interest in working with either department. Board Member Putnam asked about a 1993 incident in New York in which Mr. Bedinotti was driving under the influence. Mr. Bedinotti said he was 19 or 20 at the time. He was home from college at the time, had attended a wedding, and was almost home when he was pulled over by law enforcement. He was determined "ability impaired" and lost his license until he was 21. He could not recall if the fine he paid was \$500 or \$1500. He was arrested at the time. Board Member Putnam noted that on his application, Mr. Bedinotti marked that he had never been arrested. Mr. Bedinotti said that was a mistake. He provided the disposition in his application documents of the DUI arrest. Board Member Putnam noted that Mr. Bedinotti indicated in his application that there were no civil actions against him. He said the credit report showed some problems with tax liens. He asked why Mr. Bedinotti had checked the box that there were no civil actions. Mr. Bedinotti said that he didn't believe there were any tax liens in the past. There was a current tax lien involving gambling. He noticed when he received his background information from the Board, some of the financial information contained his father's social security number. Board Member Putnam asked about the New York State Tax Commission and a \$485 amount in 2002. Mr. Bedinotti said that must have concerned his father. He had no knowledge of that. Board Member Putnam asked for the name of Mr. Bedinotti's wife. He said her name was Karina and Board Member Putnam agreed the matter concerned Mr. Bedinotti's father. Board Member Putnam asked about an amount filed 2004 for \$1,100. Mr. Bedinotti said that was correct. He spoke to Investigator DuPuis concerning the issue. He faxed paperwork to Investigator DuPuis that he would fully pay. Board Member Putnam said he was concerned once more that Mr. Bedinotti indicated on his application that there were no liens or bankruptcy. He said he did so because he knew the amounts had been paid and he had paperwork showing the issues had been resolved. Board Member Putnam said the question on the form asked if the issues had ever occurred, not whether or not they had been taken care of by the applicant. Mr. Bedinotti apologized and said he misunderstood. Board Member Putnam commented that Mr. Bedinotti had also answered "no" on his application regarding if he had ever been arrested on a DUI. Mr. Bedinotti said that was also a misunderstanding. Board Member Putnam said it would seem to him that, given the applicant's educational background, such oversight was unusual. Mr. Bedinotti said he understood the concern, but it was not intentional. Board Member Crate moved to grant Thomas Bedinotti an individual Private Investigator license subject to all statutory and regulatory requirements. Board Member Grasso seconded the motion, which passed.

Johnny Smith applied for an individual Private Investigator license. Mr. Smith retired from the FBI as a special agent after 26 years. He had recently worked for Spencer Investigations. Board Member Grasso moved to grant Johnny Smith an individual Private Investigator license subject to all statutory and regulatory requirements. Chairman Spencer seconded the motion, which carried.

James Baron DBA Diamond Investigations applied for an individual Private Investigator license. Mr. Baron spent 20 years in the Air Force before retiring. He ultimately entered the law enforcement field. He left that field and worked for Glen Lerner performing personal injury work. Chairman Spencer asked if Mr. Baron wished to change the name to Dynamic Investigations. Mr. Baron said that was correct. Although he personally like the name Diamond Investigations, there was a company in Las Vegas called Blue Diamond Investigations that had their license revoked. He felt it necessary to change the name. Executive Director Ray said there was an existing licensed company called Dynamic Advantage. Chairman Spencer asked if Mr. Baron was aware that another company named Dynamic. He was not aware of that fact. Executive Director Ray was unable to remember Blue Diamond Investigations. Mr. Baron was told about that company by an attorney. Mr. Baron researched it online at the Secretary of State, which showed Blue Diamond Investigations lost its license in 2004. Board Member Putnam asked why Mr. Baron left his job with the Southern Nevada Health District. Mr. Baron explained that initially he was told the grant funding his position was going to be cut in half and new employees would be laid off. He later learned that a complaint had been filed for sexual harassment. He said there was an ongoing investigation by the EEOC on the issue. Board Member Putnam asked what reason he was given for the termination. Mr. Baron said now it was claimed he did not get along with his co-workers. Board Member Putnam asked what Mr. Baron put on his application. Mr. Baron said he put what he knew at the time, which was the reduced grant and cutting back on the part of the department. Board Member Putnam said Mr. Baron had also filed an application with the Henderson Police Department and asked for the outcome of that matter. Mr. Baron said after he was suspended at the Clark County School District Police Department, he was put on hold until the investigation was completed. A new chief was hired and took the position that lateral hiring would no longer be done by the department. Mr. Baron lost that opportunity. Board Member Putnam said on his application, Mr. Baron indicated he was waiting to go to academy, but decided to accept a better job offer. Mr. Baron said that was how it started, but not how it ended. Board Member Putnam asked about the situation with the school district. Mr. Baron said there was an incident at Biltmore Continuation School for students who could not attend public school. After that incident, the new chief placed Mr. Baron on suspension pending the investigation. The investigation lasted for approximately 1 ½ years. Mr. Baron needed employment, so he looked elsewhere for work. The issue went through arbitration and other necessary steps. He ultimately did not return to work at the Clark County School District. Board Member Putnam asked if it was true that, not only was Mr. Baron suspended, he was fired. Mr. Baron said that was the end result after arbitration because the district would have had to provide back pay to him. They

decided not to do that. After the termination letter was received, the captain, Jim Ketsaa, asked Mr. Baron to come back to work. Mr. Baron refused to return without receiving back pay and was making more money at the law firm at that time. Board Member Putnam asked if Mr. Baron was fired before or after arbitration. Mr. Baron said the arbitration took place in an attempt to return to work for the school district and to receive back pay, as the investigation took such a long time. Board Member Putnam asked if Mr. Baron was notified he was no longer a school district employee prior to arbitration. Mr. Baron said that was not correct. Board Member Putnam said, during the arbitration, the arbitrator made comments that were frankly unfavorable to Mr. Baron. One comment was that Mr. Baron was less than truthful and candid during the investigation. Board Member Putnam asked for Mr. Baron to comment. Mr. Baron said those comments were made by a school district attorney during the investigation the school district police department conducted. He had no idea what was meant by the comment. Board Member Putnam said it was his impression the comments were made by the arbitrator and not the school board. He asked Mr. Baron about an application he filed October 2006 with the Office of the Attorney General. Mr. Baron said he applied two separate times. The first time he was not selected to work for Medicaid Fraud as an investigator. The second time he was approved for a position in Las Vegas. Due to the ongoing investigation, he ended up losing the opportunity because the Attorney General's Office had to fill the position. Board Member Crate asked about a discrepancy in hours of experience and Mr. Baron to explain those hours. Mr. Baron said 8,332 hours were shown in Investigator DuPuis's background report. Investigator DuPuis did not take into consideration that Mr. Baron had a degree from College of Southern Nevada in Criminal justice. Board Member Crate asked for a copy of that degree. Mr. Baron said he supplied it in the original packet and also in a letter he provided to the Board. Board Member Crate said he saw a transcript, but nothing indicating any type of degree. Board Member Crate said Mr. Baron stated he had an associate's degree. Mr. Baron agreed. Board Member Crate asked if Mr. Baron had an associate's degree or a transcript that he had attended certain classes. Mr. Baron said he had an associate's degree from the College of Southern Nevada. When he attended police academy, the associate's degree was being offered. Board Member Crate again asked if Mr. Baron had evidence of an associate's degree. Mr. Baron believed he had a certificate from CCSN at home, but he provided a transcript. Board Member Crate said a transcript was not evidence of a degree. He asked if Mr. Baron's certificate was proof of attendance or if it was an associate's degree. Mr. Baron said it was an AS Degree-Criminal justice. Board Member Crate asked Mr. Baron if he provided that to the Board. Mr. Baron said he provided the transcripts. Board Member Crate asked if Mr. Baron understood he was not given credit for an associate's degree because that degree had not been documented. Mr. Baron said that was correct. Board Member Crate said if at some point in the future Mr. Baron could produce proof of a degree, it might be considered. Board Member Crate asked if, with that understanding, Mr. Baron would agree he did not meet the minimum requirement of 10,000 hours of experience. Mr. Baron said since he had submitted the application, he had continued working with Glen Lerner, which would provide more hours

for consideration that would put him closer to the required 10,000 hours. Board Member Crate said 8,300 hours plus an additional 3 months of experience at 500 would bring the total to 8,900 hours. Board Member Crate said that was still significantly short of 10,000 hours. Mr. Baron said he would not agree that the difference was significant. Board Member Crate asked if he would agree he was short of the 10,000 hours required. He agreed. Board Member Crate asked if Mr. Baron agreed he had not provided documentation of meeting the minimum hours of experience required. Mr. Baron agreed, although he was continuing with his job. Board Member Crate said he could continue as long as he liked, but as of today, Mr. Baron had not documented that he had the minimum hours of experience. Mr. Baron agreed. Chairman Spencer said in looking over the background investigation report, he saw that Investigator DuPuis uncovered substantial information that had not been reported on the application. Mr. Baron said he had other college degrees not related to Criminal justice. Chairman Spencer asked what degrees Mr. Baron possessed. He said he held three associate's degrees including the one in Criminal justice, he held a bachelor's degree, and two master's degrees. Chairman Spencer asked if he had proper paperwork to document those degrees. Mr. Baron said he did not have the documents with him, but could produce them if needed. Executive Director Ray cautioned that the degree must be in Criminal justice or police science. Investigator DuPuis addressed the educational aspect. Mr. Baron did hold an AA degree, a BS degree, and a Master's degree. They were all in management with an emphasis in health services, so they did not apply under NRS 648 toward experience, as they were not for criminal justice or police science education. He addressed the letter dated September 10, 2009 sent by Mr. Baron regarding his degree from College of Southern Nevada. Mr. Baron indicated he held an AS degree in criminal justice. Investigator DuPuis contacted the college and spoke with a representative at the registrar's office earlier today. The representative indicated there was no record that Mr. Baron had ever received an AS degree of any type from College of Southern Nevada. He did receive 33 units of credit for attending the police academy. He had no degree in police science or criminology from the community college. Regarding Chairman Spencer's inquiry into the background investigation, Investigator DuPuis had discovered a lot of information that was not revealed by Mr. Baron in his application or during his interview with Investigator DuPuis. He specifically asked Mr. Baron in his telephone interview if he had been involved in any other disciplinary issues at the school district in addition to the one he had disclosed. Mr. Baron told Investigator DuPuis that he had not been involved in any other disciplinary issues while employed by Clark County School District Police Department. However, when Investigator DuPuis reviewed the district's personnel files, he found a number of other incidents. The first occurred February 2005 in which the applicant was startled by another school district employee at the office. During the course of that contact, the applicant drew his weapon on the other employee and uttered profanity. That investigation was conducted by the internal affairs unit and found that Mr. Baron was in violation of departmental policy. Investigator DuPuis believed Chairman Spencer commented about the "less than candid and truthful responses" made during the course of the investigation. The statement was not made by the hearing officer, but was the finding of

the internal affairs investigation. Mr. Baron received 10 days off as a result of the incident that was later upheld and substantiated his dismissal from the school district. Board Member Crate said internal affairs revolved around Mr. Baron's drawing and pointing a weapon at a school employee. Investigator DuPuis said that was correct. Board Member Crate asked if another incident involved excessive force on a female student. Investigator DuPuis said that was correct. Investigator DuPuis said, in addition to the Biltmore School case and the incident with the co-worker, he also learned that Mr. Baron had been disciplined as a result of a traffic accident in which he was involved. Mr. Baron was responding in an unauthorized Code 3 status and he lost control of his patrol vehicle, which was totaled. He received five days off as a result of that disciplinary action. Mr. Baron was also involved in an additional internal affairs investigation in which he had a confrontation with a woman in the parking lot at a school. The woman was driving the wrong way down a traffic lane. The incident escalated to the point that Mr. Baron drew his weapon on the woman and ordered her to the ground, but she refused; he then pepper-sprayed the woman to force her to comply with his instruction. Investigator DuPuis also found that Mr. Baron was also admonished and disciplined for using the school police department e-mail system to conduct police association business, which was contrary to the policies and procedures of the school district. There were no Board or audience questions. Chairman Spencer said, as chair, he did not often make a motion, but he would in this case. Chairman Spencer moved to deny the request by James Baron for an individual Private Investigator license, based on not his hours of experience, but due to the fact that he willfully withheld information of a negative nature regarding his activities while in a police agency. It did not appear to Chairman Spencer that James Baron was suitable to be licensed based upon his lack of truth in his application to the Board. Board Member Putnam seconded the motion. There was no further discussion. The motion carried. Chairman Spencer told Mr. Baron he was sorry, but he was not going to receive a license.

PRIVATE INVESTIGATOR AND PRIVATE PATROLMAN:

Anthony Jones applied for an individual Private Investigator license and an individual Private Patrolman license. Mr. Jones spent 28 years in the United States Air Force as an intelligence officer. He recently retired due to wounds received while in action. Chairman Spencer thanked him for his service. He asked if some of the investigative experience Mr. Jones received occurred while he was in the Air Force. Mr. Jones again said he had thousands of hours of experience in the Air Force as an intelligence officer performing research. Board Member Crate asked Mr. Jones about his employment with CRI Counter Terrorism Training School. Mr. Jones said he was an instructor. Board Member Crate said those 6,000 hours would not necessarily count as experience, as it was not related to a licensed category. He noted it didn't have an impact on the total number of hours of experience. Mr. Jones said he understood. Chairman Spencer asked Investigator DuPuis if he was satisfied with the hours of experience. Investigator DuPuis said the hours were more than sufficient. Board Member Grasso moved to grant Anthony Jones

an individual Private Investigator license and an individual Private Patrolman license subject to all statutory and regulatory requirements. She also wanted to thank him for his service for the record. Chairman Spencer agreed. Board Member Crate seconded the motion, which passed.

Security Services Group LLC applied for a corporate Private Investigator license and a corporate Private Patrolman license with **Guy Charno** as the qualifying agent. Board Member Grasso stated for the record that Mr. Charno's first name was Guy and not Paul as shown on the agenda. Chairman Spencer asked Mr. Charno how to pronounce his name. Mr. Charno said his name was Polish. Mr. Charno had been in the law enforcement field since 1984 and in the private security since 2004. He held a Private Investigator license in Arizona. He had been a security investigator for casinos. He formed a security company in Arizona for a golf course community. He formed an LLC with a business partner and they wished to expand into Nevada and Utah. He was primarily interested in the Laughlin area for contract opportunities. Board Member Crate asked about the corporate name and four DBAs. Mr. Charno said that was correct. Board Member Crate asked if Mr. Charno anticipated using those four names in Nevada. Mr. Charno said the four names were used in Arizona, creating a one-stop security shop. Board Member Crate asked if Mr. Charno anticipated using only Night Watchmen Security and Investigation Management Consultants. Mr. Charno said that was correct. Board Member Crate said Mr. Charno indicated that each company specialized in one field or the other. Mr. Charno agreed. Board Member Crate asked if there were any undisclosed financial interests in the LLC. Mr. Charno said his partner, Norm Jennings, and he owned the company 100%. Board Member Crate moved to grant Paul Charno an individual Private Investigator license and an individual Private Patrolman license to be placed in abeyance so he could become the qualifying agent for Security Services Group LLC, to grant Security Services Group LLC a corporate Private Investigator license and a corporate Private Patrolman license, that Mr. Charno and Norman Jennings be recognized as primary corporate officer, subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which passed.

PRIVATE PATROLMAN:

Board Member Grasso informed the Board that Kyle Hardy requested a closed hearing. The meeting was closed. Once the audiences returned in both locations, Chairman Spencer entertained a motion. Board Member Crate moved that Dragon Master Security LLC and Kyle Hardy be denied licensure at this time under ***NRS 648.100(3)(b) Committed any act constituting dishonesty or fraud*** and ***NRS 648.100(3)(c) Demonstrated untruthfulness or a lack of integrity*** subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which carried. Chairman Spencer told Mr. Hardy that the Board would not grant licensure to him at this time.

Anthony Long, Sr. applied for an individual Private Patrolman license. Mr. Long had 27 years of experience in the security field. He had been a supervisor for the past 10 years. He had worked for various security companies in California. He moved to Las Vegas and recently became the head of security at Stage Door Casino. Board Member Crate noted that Mr. Long indicated on his application that he held a current valid driver's license. Mr. Long said that was true at the time, though he hadn't driven for three to four years. Board Member Crate asked again about the license. Mr. Long said he just learned that it was suspended. Board Member Crate asked how long he had lived in Nevada. Mr. Long moved to Nevada in 2007. Board Member Crate asked what license Mr. Long just learned was suspended. It was his California license. Board Member Crate asked how he learned it was suspended. When Mr. Long went to take the exam for licensure, Investigator DuPuis told him he needed to take care of the suspended license issue. He went to the DMV in California and was told what he needed to do about the license. Board Member Crate asked why the license was suspended. Mr. Long said it was due to some tickets and failure to appear. He explained he was not working at the time and just didn't go to court because he didn't have transportation. He was going through a rough time and did not take care of the issue. Mr. Long said the time he was referencing was about five years ago. Board Member Crate asked if any issues went to warrant. Mr. Long said, to his knowledge, nothing had gone to warrant. He checked with DMV and was told they could take care of the issue and he needed to pay a certain amount of money. He would need to retake the driver's test. He needed to take care of the matter in California before he could receive a Nevada driver's license. Board Member Crate asked about the status on child support. Mr. Long said he spoke with a lady at the child support division. The support payments stopped when he stopped working in December due to a medical issue. The lady showed he had been current with his support payments until December. Board Member Crate said the background check showed that Mr. Long's ex-wife had not received support payments for over a year. Mr. Long said he called her to ask why she would say that. When he moved to Las Vegas, the only way he could work was to receive his gaming card. He had to return to California to make sure all child support payments were current in order to obtain his gaming card. If he had not done so, he would not have been able to receive the card or work at the casino. He said the payments stopped when he stopped working in December. She had not received payments from December until the current time. Board Member Putnam asked if Mr. Long had ever been subject to any type of civil actions, such as tax liens. Mr. Long said he was not aware of any. He filed for bankruptcy during his first marriage. He just learned a case in Long Beach had just been opened, but he did not know anything about it. He called his ex-wife to ask about the issue. It should have been included in the bankruptcy he filed at the time. His ex-wife was checking on the matter. Board Member Putnam asked if Mr. Long was aware that there was a federal tax lien against him in 1991 for almost \$5,000. Mr. Long saw that in the report, but had no idea to what it referred. Board Member Putnam said it involved federal income tax. Mr. Long said the first time he was made aware of it was when he received the packet back from staff. Board Member Putnam asked if Mr. Long was unaware of the lien when he completed his

application. Mr. Long said he was unaware of it. Board Member Putnam asked about a small claims action in 1994 for \$1,397.00. Mr. Long said that was from Halls Furniture. He had heard of the store, but had never made a purchase from them. He spoke to his ex-wife about the purchase, he learned she and his daughter had bought something from Halls and used his information. Apparently, she said it should have been included in the documents when he filed for bankruptcy. He did not know why the item appeared the way it did in his information. Board Member Putnam asked him if he was unaware of the matter at the time he filled out his application. He again said he was not aware of it and was living in Nevada. Board Member Putnam asked him if he lived in Nevada in 1991 and 1994. Mr. Long said he did not know of this information until he filled out the information and received the background information back from staff and Investigator DuPuis called him. He moved to Nevada in 2007 to start over. Board Member Putnam asked about Mr. Long's character reference forms. One reference was completed by Mr. Long's brother, one was completed by a sister-in-law, both of whom lived with Mr. Long, and one was completed by his ex-wife. He asked why Mr. Long had not chosen people who were more removed to complete the forms. Mr. Long said he had not been in contact with many people for a long time. With everything that had been going on in his life, he used what was available to him. He was only able to reach a couple of people in California and was unable to contact the rest. Board Counsel Menicucci asked if Mr. Long had ever made a motion in court to reduce his child support based on changed circumstances when he was not employed. Mr. Long said he had not done that. His support payment had been the same for quite a while. Chairman Spencer asked if he knew how far behind he was in his payments. Mr. Long said his children were now grown. He thought he was over \$30,000 in arrears. Chairman Spencer asked if Investigator DuPuis had any further information to impart to the Board. Investigator DuPuis addressed the civil judgments and the bankruptcy information. He reviewed the LexisNexis report and found the bankruptcy was filed in 1998. The civil judgment with regards to Halls Furniture was in 1994 and most likely was included in the bankruptcy, although there was no documentation to support that. The tax lien from San Bernardino County in the amount of \$4,961.00 had been released by the IRS in 1993. He said the assumption could be made that it was resolved, though perhaps not for the full amount. Investigator DuPuis discussed the child support issue. He contacted the Los Angeles County District Attorney's child support unit and they indicated they did have an open case with regards to the applicant. The amount in arrears was \$45,191 and change. They have not pursued the applicant, even though the amount was high, primarily because the spouse has not made a formal complaint with them. Mr. Long said he was married to his ex-wife for 22 years. Child Support sent him a monthly statement showing how much he had been paid. They had not contacted him saying they were going to pursue the issue. As soon as he could resume making payments, he would do so. The amount had risen to \$20,000 before he was even aware of the issue. Chairman Spencer asked Mr. Long if he was aware that in Nevada he was in violation of the law. Mr. Long said he was aware, but again referred to his unemployment caused by a medical condition. When he was employed, he made the payments. He again stated he would start

making payments again once he was employed. Board Member Uithoven asked if there were still outstanding debts to DMV regarding the tickets. Investigator DuPuis said Mr. Long still had to pay a fine of approximately \$200 to resolve the failure to appear situation with DMV in California. Chairman Spencer asked if there was a warrant. Investigator DuPuis said not at this time, but a hold was placed on his driver's license, which prevented him from obtaining a Nevada driver's license. Mr. Long said that was correct. Chairman Spencer said Mr. Long may want to take care of that issue. Mr. Long said he planned to do so, but used the money he currently had to pay for his background fees with the Board. He would take care of it as soon as possible. Board Member Crate referenced NRS 648.085 and said if an applicant indicates that he is subject to a court order for the support of a child and is not in compliance, the Board may not issue a license until it was resolved. Board Member Crate further stated that under NRS 648.085(4) there was a recommendation that the Board suggest to the applicant to contact the district attorney or other public agency enforcing the order to determine if he could obtain an agreement or have an adjustment made that would reflect that he was in compliance. Board Member Crate further stated that Mr. Long's application indicated he was subject to child support payments and was in compliance, but he was not in compliance because he was so far in arrears. The Board needed a statement showing Mr. Long was in compliance. Board Member Crate said there may be other additional issues with other questions, but the child support issue was not a cause of option for refusal, but was an immediate requirement. Mr. Long said he understood. Board Member Crate said, based on NRS 648.085 and that Mr. Long was not in compliance with a court order for child support, he moved to deny the application, subject to all statutory and regulatory requirements. Board Member Uithoven seconded the motion, which carried. Chairman Spencer advised Mr. Long that at this point, the Board could not issue a license for him. He said that Mr. Long could take care of the issues that put him in violation and he could reapply at a future Board meeting.

PROCESS SERVER:

John Norton applied for an individual Process Server license. He was not present at either location. The request was continued until the next meeting.

J.J.L. Process Corp applied for a corporate Process Server license with **Scott Levine** as the qualifying agent. Mr. Levine had worked in the process serving industry for 22 years. He had owned his own agency for 17 years in New York which he sold in 2004. He moved to Florida and currently had approximately 300 people working in the Florida office. They handled 20,000 to 25,000 papers per month. He had been responsible or indirectly responsible for the service of over a million papers during his career. Board Member Crate deferred to Investigator DuPuis regarding any adverse information in his report regarding American Legal Process. Investigator DuPuis said he learned information during the course of his investigation about the applicant emanating from the Office of the Attorney General in New York. As Mr.

Levine indicated, he owned American Legal Process in New York that he sold in the early part of 2004 to Mr. William Singler, who operated the business under the business name Zmod. Investigator DuPuis discovered in July 2009, Mr. Singler and a number of his employees were indicted and subsequently arrested by investigators for the New York Attorney General's Office. The arrests were made for super-service. In general, super-service is the service of various legal processes in which it was alleged Mr. Singler and his employees were providing false information to the court in regards to the service of legal process. After a lengthy investigation it was discovered that a number of the employees were claiming to have served eighty to ninety legal processes on any given day. They made those claims by providing falsified records provided to the court. One employee, for example, claimed he served 89 legal processes, which would have caused him to travel 1,600 miles in one day. The employee claimed he had served legal process in two separate locations that were several hundred miles apart within a matter of minutes. The information caused Investigator DuPuis to contact the Attorney General's Office in New York. He learned that Mr. Levine's name had surfaced during the course of the investigation, but he was not targeted for prosecution. Investigator DuPuis was informed by the Attorney General's Office that because of constraints placed upon them, they only investigated back to the time when Mr. Singler purchased the company in 2004 from Mr. Levine. Investigator DuPuis was also told by the staff of the New York Attorney General's Office that the practices that were incorporated and used by Mr. Singler and his employees used were in place at the time the company was purchased from Mr. Levine. Their interviews with employees who were employed by both Mr. Levine and Mr. Singler indicated that those same practices were in place at the time Mr. Levine sold the company. The staff did not identify names of employees who were interviewed. The impression Investigator DuPuis received was that there were ongoing negotiations among the various parties in the suit and the case had not been fully resolved by the New York Attorney General's Office which may or may not result in further legal action. Investigator DuPuis did not know if Mr. Levine would be involved in the outcome, but again noted that Mr. Levine had not been targeted by the New York Attorney General's Office for prosecution. He did not believe Mr. Levine had been interviewed by them. Board Member Crate commented that Investigator DuPuis included in his report that Mr. Levine was still listed as chairman and CEO. Investigator DuPuis agreed and he checked the Secretary of State's Office website in New York and Mr. Levine was still listed. Investigator DuPuis contacted the New York Attorney General's Office and inquired about the listing, but they had no explanation. They suspected it was not the case anymore and that Mr. Levine had no current affiliation with the company. Board Member Crate asked Mr. Levine if he knew he was still listed as chairman and CEO of American Legal Process, Inc. Mr. Levine said American Legal Process, Inc. was dissolved in 2004, or should have been dissolved. Mr. Levine explained that the business Investigator DuPuis had just discussed was American DBA American Legal Process. Board Member Crate asked if under either name there was any reason Mr. Levine would be listed as chairman and CEO. Mr. Levine said absolutely not. He said he sold the business 100% to Mr. Singler in 2004. Board Member Crate said Mr. Levine may wish

to look into the matter. Mr. Levine said he would do so. Mr. Levine checked the issue three years ago on the New York Attorney General's Office website and he was under the impression that the corporation was dissolved in 2004. Board Member Crate discussed Investigator DuPuis's comment that Mr. Levine was not targeted for investigation and the implication that the practices which led to Mr. Singler's being charged with a felony were pre-existing. Mr. Levine said after he sold the business, Mr. Singler had systematically terminated all of the employees who had worked for Mr. Levine. The procedures and processes in place necessary to serve papers existed. Mr. Singler made the conscious decision to leave out the first and second steps in service and use the balance of the procedures. Mr. Levine had no control over how Mr. Singler conducted business. Mr. Levine knew that within the first 6 months after Mr. Singler purchased the business, he lost approximately 50% of the business. Mr. Levine felt Mr. Singler was desperate, and he had no idea where Mr. Singler obtained the procedures he chose to follow. Those procedures were not practiced by Mr. Levine when he owned the business. The investigation began three years after Mr. Levine sold the business. Mr. Singler had none of Mr. Levine's previous employees on staff. Mr. Singler was not using the procedures Mr. Levine had put in place. Part of the lawsuit Mr. Levine had against Mr. Singler involved suing him to remove his rights from using the technology he received at the time of sale. Once the lawsuit was settled, Mr. Singler no longer had access to that technology, which basically ran the entire business. Mr. Levine had no idea what type of business practices Mr. Singler had followed since losing the rights to the technology. Mr. Levine said he knew that when he ran the business and served 10,000 papers per month in New York, they had very few occasions where a person to be served claimed the papers were never received. Mr. Levine was nothing but honest in his business practices. The emphasis of what he did was to develop technologies that mandate a person is in a particular location when he or she is expected to be at that location. Mr. Levine tracked his servers step by step and analyzed their actions throughout the day to achieve a feasibility score. If the employees could not score 95% or better, they were terminated. That was Mr. Levine's policy from the day he began in the business. Any process server who was questionable was immediately let go and any papers that were still open were immediately copied and sent out by other process servers. Board Member Crate asked if Mr. Levine knew Mr. Singler had been arrested and charged in July 2009. Mr. Levine said that was the happiest day of his life. Mr. Levine decided the best course of action was to not reach out to anyone. He contacted a family friend in New York who was a criminal attorney who in turn contacted the New York Attorney General's Office to insure Mr. Levine's name was clean. The reports that came back confirmed that he was not involved. Mr. Levine said Investigator DuPuis was a very competent investigator. Mr. Levine said there was nothing to be found regarding him in Mr. Singler's issue. Board Member Putnam asked Mr. Levine about civil actions, judgments, and tax liens on the application. Mr. Levine had mentioned two, one of which Mr. Levine was sued by a process server and a former employee sued him. Board Member Putnam asked if there were other lawsuits. Mr. Levine said he had been in the business for 22 years. He didn't feel anyone could be in the business for that many years without having

an occasional lawsuit. There were some landlord/tenant disputes in the past. He did not know if he had forwarded everything to Investigator DuPuis, but he had stipulations of discontinuance and satisfactions of judgments for all cases. Mr. Levine's practice was to immediately pay the landlord within a couple of days once the papers were served. Paperwork was provided showing he had paid. Board Member Putnam asked if there were any tax liens. Mr. Levine said nothing was open and all had been satisfied. Board Member Putnam said the application did not ask if there were any open tax liens, but asked if the applicant ever had any tax liens. Mr. Levine said when he filled out the application, he was not aware of a tax lien 15 years ago. He said the answer to Board Member Putnam's question was "yes". Board Member Putnam noted there was a tax lien from 1999 from the New York State Tax Commission for \$3,493 which had been satisfied which to him meant the lien was paid. It would seem to Board Member Putnam that Mr. Levine would remember that matter. He further stated in March 2001 New York State Tax Commission was paid \$1,833 and satisfied. He again said Mr. Levine should have been aware of that lien as well. Mr. Levine said he would not argue the matter, but his accounting department paid all bills and were in contact with his accountant. He said he truthfully did not remember the tax liens. If the sums had been quite huge, he probably would have remembered them. He said the tax liens were probably paid by his accounting department as routine bills. It was possible he was never told about the liens. Board Member Crate moved to grant Scott Levine an individual Process Server license to be placed in abeyance so that he could be the qualifying agent, to grant J.J.L. Process Corp. a corporate Process Server license, and to approve Scott Levine as sole corporate officer, subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which carried. Mr. Levine commented that he was licensed in several other states as a process server and Nevada was the most thorough licensing board he had encountered. He offered kudos to the Board.

REPOSSESSOR:

Craig Boyajian DBA B & B Recovery applied for an individual Repossessor license. Mr. Boyajian's background was in consumer finance. He began working in the early 1980s in the retail automotive business. He handled in-house accounts and repossessions. He and his wife moved to Nampa, Idaho in 2007 and opened a repossession business which he operated with his son. He wished to open a repossession business in Las Vegas. Board Member Grasso moved to grant Craig Boyajian an individual Repossessor license subject to all statutory and regulatory requirements. Board Member Putnam seconded the motion, which passed.

DISCIPLINARY MATTERS:

Chairman Spencer moved to continue item #39 (Michael Yepko, #988, of Las Vegas Legal Support) to the December meeting. Board Member Crate seconded the motion, which carried.

ADMINISTRATIVE BUSINESS:

The Board discussed administrative changes to NAC 648.345-NAC 648.355 involving a sub-committee that the Board had approved. The item required a motion to move forward with the regulatory process. Investigator Whatley said at the previous Board meeting, staff was asked to conduct sub-committee meetings regarding certified firearms instructors (CFIs) and possible NAC changes. The Board had been given information on the subject. Meetings had been held July 8th, July 29th, August 13th, August 25th, and September 1st. Committee members were Steve Baker, Board Member Crate, Robert Irwin, Richard Morello, and Geoff Rivera; members of the public who were present at almost every meeting were Earl Costello and John Glatthar. Investigator Murphy was the staff representative in the south, while Investigator Whatley was the representative in the north. Others attended the meetings and contributed to the work. She outlined the major recommendations. The general consensus of those present was to develop a standardized curriculum to be taught as a minimum by all CFIs. During the curriculum development process, several individual's curriculums were reviewed, as well as the curriculum used by other states. Several recommendations were made to change the NAC; the most noteworthy were NAC 648.345(3) CFIs should have 12 hours of continuing education every 24 months and the fee to renew certification to be \$100 annually. Currently, 4 hours of continuing education were required annually and the renewal fee was \$50. NAC 648.346 had two noteworthy recommendations. A recommendation was to change NAC 648.346(2)(b) was to change the minimum number of hours required on the range from 3 hours to 5 hours. The reasoning for that change was that most of the CFIs present agreed that this was an initial class and most students had never held or shot a firearm. The CFIs felt it was necessary to spend more time on the range to familiarize the students with drawing and holstering the weapon and to work on marksmanship. NAC 648.346(2)(c) in order to maximize student participation and attention to material, a maximum training day of 9 contact hours was established. A contact hour was 50 minutes of instruction in a 60-minute period. A maximum training day with a one-hour lunch would begin at 0800 hours would end no later than 1800 hours. The course may be taught in modules over several days, but the course was required to be completed in a 7-day period. NAC 648.347 was suggested to be eliminated due to the standardized curriculum. NAC 648.348 was a change to accommodate the standardized curriculum; " A person certified as a firearms instructor by the Board shall teach a course of training in carrying, handling and using firearms safely for the purpose of NRS 648.030 that has been established by the Board; any instructor not following the approved curriculum and requirements contained within will be subject to disciplinary action by the Board up to and including loss of certification." Investigator Whatley said A through 2 would be eliminated. Investigator Whatley said the Board was provided with a copy of the proposed NAC and standardized curriculum. She noted that there were formatting issues that would need to be corrected and a spelling error. Investigator Whatley asked if Steve Baker was present in Las Vegas. Bob Irwin said he was not present. Investigator Whatley asked if any other members of the sub-

committee were present in Las Vegas; Bob Irwin was in attendance. Investigator Whatley said she would answer any Board questions and asked Mr. Irwin if he would also answer questions. Chairman Spencer asked if there were questions or comments. Board Member Crate said it was a pleasure for the couple of meetings he attended to watch the interaction and the serious consideration of the intent and the exposure to the general public. It exceeded his expectations in every area. He appreciated the cooperation. He commended Investigator Whatley's efforts in keeping the meetings focused. Bob Irwin identified himself and said he came to the table in case there were any questions. Board Member Crate asked if there were significant differences between county and city ordinances or from county to county that would need to be addressed in the outline/curriculum. He asked if there were unique or specific requirements for carrying weapons from one county to another. Investigator Whatley said the curriculum provided city/county ordinances that each CFI would click on and teach what was specific to that area, which was taken directly from the legislative website. Investigator Whatley said that portion would be different in everyone's curriculum dependent upon the city or county where the class was taught. Board Member Crate asked what allowance would be made for issuing certification for a person certified in Reno who wished to move to Las Vegas or Ely. Investigator Whatley said that basically the students were taught in class that they were responsible for knowing the rules, regulations, and laws where they would be working. The students should have access to the website and should become familiar with the applicable statutes should they plan to move and work in another location. She said the matter should be addressed during requalification and definitely during the refresher course. Chairman Spencer said the responsibility should be with the individual and not with the regulators. Board Member Crate said to the extent necessary, he would move the Board accept the recommendations as made by the committee, allow them the time necessary to formalize the fact that a packet must be provided to the LCB that may include some minor revisions, also authorize any minor changes that may need to be made. He didn't feel it necessary to come back before the Board. Chairman Spencer agreed and seconded the motion, which carried. Executive Director Ray said Investigator Whatley did an excellent job with the sub-committee meetings and much time and work went into the process.

Bob Irwin asked the Board approximately how much time he had before he had to shut down his operation. He asked how long he could teach his current course before shutting down. Board Member Crate said it could be 3 months or 20 years, depending on why Mr. Irwin would want to shut down. Mr. Irwin said Investigator Whatley was giving the high points and not everyone in the meetings agreed with what she said. His problem was that his range had 50 firing points and requiring 5 hours of range time put him in the position that he would need to shut down his retail range in order to qualify guards. He was not saying that was more important. He said Ms. Whatley was convinced that what Mr. Irwin was doing was not valid and needed to be changed. He said she may be right. He was not going to argue that today, though he did argue that in the meetings, to no avail. Having classes every Thursday of approximately 20 people would require 5 hours of range time with the 8 hours of class time would require more range time

than he had. Basically, he would close down, which was okay with him. He would not argue that. Mr. Irwin said the Board felt he was doing an insufficient job. He trained approximately 80% of the guards in the state and had done so for the past 23 years, which was close to 20,000 guards. He had received no complaints about his training and there had been no bad shootings. This new regulation made it impossible for Mr. Irwin to train in his existing facility. He said, as his facility trained 80% of the guards, when he shut down, it would create a bit of a mess. He said that was obviously not a problem. He again asked how much time he had to phase out his operation and tell his companies they needed to go elsewhere for training. Investigator Whatley offered the reason she believed that Mr. Irwin asked his question. She said Mr. Irwin had stated a couple of times during the sub-committee meetings, which were open meetings, that the course he currently offered was not the NAC. She said that should be addressed. Mr. Irwin told the Board in that case he would shut down now and to have a good afternoon. He started to leave the table, but said it was a small percentage of his business. He had spent hours and hours on the subject and he would not be insulted by Ms. Whatley any more. He realized he was burning his bridges now, but he was done with the security business. Chairman Spencer said Mr. Irwin must understand that Investigator Whatley was not the sole decision maker. Mr. Irwin said Ms. Whatley told the attendees at the meeting that staff decided to raise the fee for instructors from \$50 to \$100 a year. Mr. Irwin asked if the Board believed that the instructors voted to double their own fees. He said they did not, but were simply told that it needed to be done because the fee had not been raised in a long time. He felt the increase of 100% was high. He did not vote for that. Mr. Irwin said whatever regulations Ms. Whatley provided to the Board had not been provided to Steve Baker or to him. He said she had not provided copies to any of the instructors. Mr. Irwin said he could understand how the process worked and was not trying to give the Board a hard time. He had been training guards for a long time and had not had any problems. He assumed the changes were being made because something was wrong. Mr. Irwin said if nothing was wrong, he did not know why the meetings were held and why they were "fixing" it. Mr. Irwin started to ask Ms. Whatley a question about what he had expressed to her at the last meeting. Board Member Crate stopped him and said the Board should be addressed only. Mr. Irwin apologized for making the issue personal. Board Member Crate said he obviously did not attend all of the meetings and he knew everybody was a very critical and significant contributor to what happened. He noted that, whether the committee members got all of their way or none of their way, there was good discussion and ideas presented. Part of the staff of the Board who acted as chairman of that sub-committee presented the information to the Board today. Board Member Crate offered to amend his prior motion, not as an appeasement, but to allow for the opportunity for feedback, not only for Mr. Irwin's comments, but also because Steve Baker was absent. Board Member Crate said the matter could be put off until a later meeting. He told Mr. Irwin his opinion was always welcome. If he had not had an opportunity to see the final version, he could take a copy home to read. He said the matter would be re-visited at a later meeting before implementation. Board Member Crate said it would take at least 3 months for the LCB reviewed it,

and possibly an additional 3 months before the Board could see any changes recommended by the LCB; therefore, it would likely be June or a year from now before any changes would go into effect. Executive Director Ray commented that the intent today was to provide language to the Legislative Counsel Bureau. The LCB provided modifications and then the Board would hold a workshop in which all interested parties then would participate in the workshop process. She said that is where industry has an opportunity to look at the language not only then, but again at a notice of public hearing prior before the Board prior to the adoption of any regulation. It was a huge process before finalization. Board Member Crate forgot about the public workshop aspect. Chairman Spencer said he would not like anyone to think anything was decided without discussion by the Board. Mr. Irwin said Chairman Spencer did not ask that, but the matter went directly for a vote. He said he was not given an opportunity to comment because the issue went directly to a vote. Board Member Crate said the vote was to send what the Board currently had to the LCB to get a draft started, but to continue working on the issue. Mr. Irwin said he misunderstood. He said he had much experience in the training business. Changing the range time requirement to 5 hours was being made not to correct anything but to make the training better. He thought his record had been exemplary. If the changes were made, he would be out of the security business. He again said he understood, and it was a very small portion of his business. That was okay. Chairman Spencer apologized if he did not ask for audience comment, and it would be the first time today that happened. Mr. Irwin said he had not asked for comments. Chairman Spencer said nothing was in cement. Mr. Irwin said he had made his comments. He noted he had not yet seen the whole proposal by the committee that was presented to the Board. He said Ms. Whatley had stated there were a number of small changes that had been recommended. He did not know what exact changes were presented, and neither did Steve Baker. He again said none of them received a copy of the changes. Chairman Spencer said the next meeting would be held in Las Vegas and Mr. Irwin should attend. Board Member Crate said the first opportunity would be the workshops. First, there had to be something in place to criticize or critique. The workshop would provide the opportunity to further tweak any changes. Today's purpose was to provide proposed changes for the LCB to review and correct in order to keep the process rolling. He said the process needed to continue in order to have any progress by the end of next year. Mr. Irwin said that was different than the information he had received before and he apologized for his outburst.

Item #42 was discussion and approval of language regarding a proposed regulation change to NAC 648 regarding work cards, registration of employees, criteria for work card denials and the appeal process, and the review of work card denials. Executive Director Ray contacted the Legislative Counsel Bureau the previous day because she was still waiting for her language to be returned. It apparently had been assigned by an individual but had yet to be handled. She should have discussions on the topic soon. She provided the same information to the Board that was provided at the last Board meeting. There were a couple of minor pieces of language that may not be in the drafted language provided to the Board. She

would take those items up with the LCB to be included in the product they sent back to her to provide to the Board.

Item #43 involved the review, discussion, and approval of the registration application. Executive Director Ray provided the Board with the application to be used in the new process for registered employees. It was designed in its current form to show how the online application would appear. It was reasonable to assume many employees may not have access to computers or the internet to complete the online applications. Paper applications would also be available. There would be a process in place by November 1st so the new process set to launch January 1, 2010 would function smoothly. The individuals with computer access would sign onto GL Suite, would log in, and each page was designed like the paper application. The existing security guard exam would also be available online. Upon completion of the exam with a score of 100%, the applicant would receive a certification. The process would be automated for staff. A record would automatically be created showing if an individual was a brand new registration or was currently in the system. The individuals would be taken through the renewal process; staff would know if there were incomplete tasks, such as the need for fingerprint cards or other tasks office staff needed to complete. She asked if there were any questions or comments. Board Member Crate asked for clarification on the process. He asked if the person went online, completed the application, and then took the test. Executive Director Ray said that could all be a part of the process. If a person applied online, that individual's status would not change to a "provisional" registration until SCOPE, DMV, and CJIS checks were run, all fees paid by the applicant, and the application was 100% complete. Once all those steps in the process had been completed, the individual's status would change to "provisional". A provisional card may be produced or a certificate provided to the employee until the fingerprint cards were received and there were no issues regarding the employee. The status would change from a provisional to active. Board Member Crate anticipated a Memo of Understanding with Las Vegas Metropolitan Police Department. Executive Director Ray asked if Board Member Crate wanted to discuss the MOU. He said he did not, so Executive Director Ray further explained that if Metro wanted to continue that function, the registered employee would not have an online application. She assumed the individual would provide a paper application that Metro would need to insure was complete. Metro would fingerprint the individual, run SCOPE, and if there were no negative results, the person would become provisionally registered and Metro would have the ability to issue some sort of provisional card. The provisional card would take the place of the current temporary work card. She said Metro would charge the individuals a separate fee for the service and more costly than if they were to go to a different fingerprinting company. Executive Director Ray said Metro would be the sole agency involved, unless Washoe County decided to enter into the same type of agreement. The provisional status allowed the employee to go immediately to a licensee to apply for employment. Chairman Spencer told Executive Director Ray to proceed with the issue. Board Member Crate asked how Executive Director Ray had developed the application. She had reviewed the

applications used currently by Metro's work card application and that of Gaming Control. Chairman Spencer moved to approve the process. Board Member Putnam seconded the motion, which carried.

Item #44 entailed the review and discussion on an opinion dated October 5, 1992 regarding public record searches. Executive Director Ray said she had mentioned at previous Board meetings that she planned to supply them with some old opinions that staff frequently referenced. She said the item did not require any action. She wanted to provide the document to the Board to provide for any possible discussion. Chairman Spencer asked if she recommended any changes. She didn't have any specific changes to recommend. There had been many changes in technology since 1992 and she didn't know how the Board felt on the subject. Executive Director Ray read from the opinion that "the definition would include, but not be limited to research of unclaimed property, locating people through public records, pre-employment screening services, tracking systems, interviews, verifying background information of criminal histories, skip-tracing, individual business background checks". Board staff routinely dealt with the employment and screening companies and businesses of that nature. She said many of those companies worked under the guise that they utilized a current licensee to pull public records and obtained the information from that licensee; therefore, the company felt it did not need to be licensed, yet they were actually servicing the clients. She felt those companies perhaps had more reason to be licensed than the person hired to pull records from the courthouse. Executive Director Ray said the opinion may not need any changes. Board Member Crate asked if Executive Director Ray was comfortable with continuing to apply the opinion. She said it was heavily used. Board Member Crate asked if there had been any challenges to the opinion. Executive Director Ray said that had not occurred. Board Member Crate said, referencing Executive Director Ray's example, that it would seem the person pulling the information would be less likely to need to be licensed as the company who actually processed and sold that information. Executive Director Ray planned to provide one opinion per meeting so as not to bombard the Board. Board Counsel Menicucci said one problem was that technology allowed a person in New York could obtain a Lexis subscription and research many public records without a license. Executive Director Ray said the option existed that if the opinion needed to be re-examined, the Board could do so in the future. The opinion was adequate for the present time, as it remained unchallenged. She asked if counsel thought differently. Board Counsel Menicucci said there would always be a case that fell into the grey area.

Item #46 dealt with a discussion to determine if NAC 648.520 pertaining to corporations affiliating with qualified persons in order to stay in operation until a new qualifying agent was in place should be modified. Executive Director Ray said the issue was raised at the previous Board meeting because the situation arose rather frequently. She deferred discussion to Board Member Crate because he wanted to discuss the matter. Board Member Crate said he wanted the Board to discuss the issue to insure they understood the position into which Executive Director Ray and staff members were placed. He said a

consensus should be reached on what happens after 30 days, what happens after 120 days, so that staff had a comfort level in enforcing regulations. He said staff had to play “by the seat of their pants” based on interaction with the company, which could smooth-talk Board staff into allowing them an additional 60 day-extension, while another company may or may not receive an extension. His understanding was different after re-reading the regulation. This would be an opportunity to ask legal counsel if there would be any reason that the Board should not re-institute the requirement for resident agents. He spoke about being absent from the state for more than 30 consecutive days. He said Investigator Murphy looked for evidence during his audits that the qualifying agent had been in the office at some point in the last 30 days. As of now, he was aware that some qualifying agents were not in Nevada and never intended to be in Nevada. He said one phrase could not be applied without the other. Once the 30-day trigger hits or another circumstance occurs, the clock starts ticking that the company only has 120 days to affiliate with a qualified person. He understood that to mean, at face value, the individual seems to have the necessary qualifications, not necessarily that the person was a licensee. That may again place staff in a position that is too subjective. He said that Board may need to provide a more definitive answer for staff to follow. He said Board should decide what should be required of the company within the 120-day timeframe and what consequences would occur if the requirements were not met within that time. The possible option for extensions beyond the 120-day time span also needed to be decided. Board Member Crate said a series of questions came into play once the qualifying agent dies or is absent for 30 days. Board Member Crate said he was guilty of stringing some companies along for 6 months. He knew some companies had been without an approved qualifying agent or acting qualifying agent for a year. That was unfair to those companies that were trying to comply with the regulation. Chairman Spencer asked if there was an understanding that corporations in this situation would provide the Board with candidates to show they were attempting to comply and to achieve quasi-approval of someone who may be qualified for the position. Executive Director Ray explained that in the past, when staff learned a qualifying agent has left, a letter was sent explaining the regulatory requirements. Typically, a response from the company would be sent to staff naming an individual, but then an application would not be sent to staff on time. Then, the process would go beyond the mandated timeframe. If Executive Director Ray saw that too much time was elapsing, she would place the company on the agenda to ask for a continuation. She said that practice seemed to present more problems than it solved. Since the last Board meeting, Executive Director Ray has requested that an officer of the corporation provide her with a name and that individual's qualifications. The new procedure seemed to be working. She included the definition and information to avoid any misunderstanding. To the best of her ability, she was relatively confident that the person named was competent. She always thought the person named as the acting qualifying agent would be the person who applied. That usually occurred, but not always. She said another scenario sometimes occurred in which a person was named as acting qualifying agent, an application for that person was submitted, staff nearly completed the background information on the applicant, only to receive a letter stating that the

person has resigned. Staff would have spent a lot of time and the company would have spent a lot of money on an application that was ultimately withdrawn, and the process would have to start anew. That could lengthen the process to a year for a company to put a qualifying agent in place. Chairman Spencer said there was not much the Board could do about those individuals who are named as acting qualifying agent, but then resign. Chairman Spencer said if a company submitted a name and a qualification to staff, he would think the company should submit a completed application. Executive Director Ray said she preferred the name of the person first because business was still being conducted in Nevada which required a responsible party. She said that was the purpose in naming an individual. She had taken the process a step further since the last Board meeting in asking for that person's qualifications. Staff then received an application. Board Member Crate discussed another trigger. He said the 120 days would have 30 days added, if the qualifying agent was gone for 30 days. The other trigger was that, within those 120 days, the person had to be approved by the Board. The matter should never go beyond the next scheduled Board meeting. He noted the language did not say 120 days later. He noted the next Board meeting could be two weeks later. He said the company should be placed immediately on the next agenda to give the Board the opportunity to decide if the arrangement would work or not. He noted that the language read, if after 120 days it has not affiliated with another person, it shall cease to do business, not may, which would present tough circumstances. Chairman Spencer agreed. He says the language showed the immediacy needed from the Board to take action on such cases. Board Member Putnam said many qualifying agents were out-of-state and it would not surprise him to learn many were absent from Nevada for more than 30 days at a time. If that was the case, someone should be appointed in their stead. Board Member Crate said he did not read the word "qualified" in this item as having the same definition of "qualified" under the statute. Chairman Spencer said that was yet to be determined. Board Member Crate said it may be necessary to change the language to state that the senior previously approved officer of the company shall assume the responsibilities of acting qualifying agent until a suitable replacement is approved. He said there was a period when no one was accountable for the company. Chairman Spencer said a viable candidate should be named in a specific timeframe within the 120 days. Executive Director Ray asked if she should produce some language to bring back to the Board. Mike Kirkman referenced NAC 648.520. He had listened to the discussion about who was naming someone who would act as a qualified agent. He said qualified means licensed. A person who was unlicensed was unqualified. He referred to Board Member Crate's earlier comments that he thought were very wise. Other states mandated that, in order to be a qualifying agent, one must be a resident of that state for a Private Investigator license. If someone registered a corporation with the Secretary of State, a resident agent must be designated who is a resident in Nevada. In his opinion, along with that of many others, many qualifying agents for Nevada companies from out-of-state were not complying with the rules and regulations that those who were qualifying agents and Nevada residents had to follow. That allowed an unfair business advantage to those who lived in other states. He asked if those people were paying all the

fees that Nevada residents had to pay, such as paying for business licenses from various counties. He said an audit would show the taxes and fees were not obtained from the out-of-state licensees. He said qualifying agents from out-of-state should pay taxes in Nevada, but he felt they were not paying those taxes. He said a person must be tested and licensed in order to be qualified. He said for a person to arbitrarily state that a person seemed to be qualified, but that person had not been tested and had not appeared before the Board, created a situation that did not rest well with him. Chairman Spencer said there was a problem with semantics. Perhaps the word "qualified" should be changed to "would appear to have the requisite experience to apply for qualifying agent status". Mr. Kirkman said he understood what Chairman Spencer was saying, but asked if he would be kind enough to listen to him. Chairman Spencer said he was listening. Mr. Kirkman said the Board was authorizing a person who was unlicensed to run a business. He said the Board was authorizing unlicensed activity. Chairman Spencer disagreed. He said the Board was trying to develop a procedure that would limit the expense of time that a corporation could function without a qualifying agent. Chairman Spencer said the aim was to have a corporation notify Board staff that the current qualifying agent was no longer in place, but the company had the name of a person who would submit an application to become the new qualifying agent. The Board was not granting anything to anybody. Mr. Kirkman said if the conversation was removed from the corporate entity to a DBA and the person doing business via a DBA died, could that business continue in Nevada. Executive Director Ray said they could not continue doing business in Nevada. Mr. Kirkman asked if the DBA could not continue to function, then how a corporation could be allowed to continue to function without an active qualifying agent. Board Member Crate explained that the corporation is considered a separately licensed entity in and of itself. Executive Director Ray said the corporation holds the license. The qualifying agent had the necessary experience and took the test. The corporation holds the license. Mr. Kirkman said he understood that, but in Nevada one had to be a licensed private investigator to run a private investigation business. Board Member Crate disagreed. He said a qualifying agent with the same experience and qualifications to obtain a license was required to obtain a license, but were not required to be licensed. Mr. Kirkman said he had attended many Board meetings and had never seen any corporations licensed without a licensed qualifying agent. He said one did not happen without the other. Board Member Crate said the individual licenses were granted and placed immediately into abeyance. Mr. Kirkman said a license in abeyance meant a person could not conduct business. Mr. Kirkman began to speak about corporations that did not have a qualifying agent present in Nevada every 30 days. Board Member Crate said Mr. Kirkman was speaking to the choir. The Board recognized the regulation could not be followed as it was currently written. He said Mr. Kirkman was certainly not saying that every corporation whose qualifying agent had a heart attack must cease doing business immediately. Mr. Kirkman said business should cease if the corporation did not have a qualifying agent in place in the time mandated by the regulations. Board Member Crate said that was precisely what was under discussion. Board Member Crate said the regulation must be rewritten to allow a corporation a window of time to find a replacement.

Chairman Spencer said the Board was trying to find a way to allow corporations to find an interim person until a qualifying agent could be approved. Mr. Kirkman asked if 120 days was enough time to allow a person to be tested. If a person died August 1st, and the company had 120 days, there may not be enough time to process the application for licensure, take the test, and be licensed by the Board. Board Member Crate said under Mr. Kirkman's example, if someone died August 1st, a designee had to be provided by the September board meeting to be approved in the interim, and not necessarily as a qualifying agent or license holder, but someone the Board approves for the balance of 120 days. If, at the end of the 120 days, a person still was not named, business would have to cease under the current NAC. Board Member Crate said the question was whether to expand the 120 days or decrease the number of days; there was also the question whether or not to become more specific regarding the qualifications of the interim person or should an allowance be made that the corporate officers had a vested interest in insuring the corporation remains compliant. Board Member Crate leaned toward the option that a corporate officer should take the responsibility and the Board should allow no more than 120 days, which would put the pressure on the company to comply. Mr. Kirkman said as he read the current regulation, the company had 120 days to find the interim person. Board Member Crate said that was not the way the regulation read. He said the company would present the interim person at the next Board meeting. There were only 90 days between Board meetings, not 120 days. He said there was no reason a qualifying agent should leave and the corporation not provide the Board an interim name within 90 days for tentative approval. Mr. Kirkman said someone should not say a person is qualified until that person becomes licensed. Chairman Spencer said that was what the Board was also saying. Chairman Spencer said the Board was asking for the corporation to supply the name of an interim so that the Board and staff could have an opinion as to whether or not that person's suitability to qualify. Chairman Spencer said the interims were not being approved for anything. The Board was searching for answers to the timeframes regarding the issue. Mr. Kirkman said Executive Director Ray pointed out that there were many corporations in the past who lost the qualifying agents and a couple that went without a qualifying agent for two years before receiving an approved qualifying agent. That was far too much time to function without a qualifying agent in place. Chairman Spencer said that was what the Board was trying to accomplish. Board Member Crate said the problem was a corporate entity with dozens of employees and a dozen clients. The qualifying agent died. Board Member Crate asked what would be a reasonable request for that corporation to be able to continue to do business and for how long. Mr. Kirkman said 120 days allowed for more than one Board meeting to find someone to be tested and approved.

Item #47 was discussion and approval of language to allow for a Memorandum of Understanding between the PILB and Las Vegas Metropolitan Police Department for provisional registrations. Executive Director Ray provided a copy of the MOU for the Board for the purposes of issuing a provisional registration should an applicant go to Las Vegas Metropolitan Police Department to be processed. She noted board counsel

had probably not had the opportunity to review the document. Executive Director Ray met with Yvette at the fingerprint bureau. The MOU contained the points they discussed. She informed Yvette of today's meeting. Executive Director Ray would send her a draft on Friday. Board Member Crate said the item that caught his attention was #2 and the charges. Executive Director Ray clarified Las Vegas Metropolitan Police Department would charge the individual directly. Board Member Crate said that put Las Vegas Metropolitan Police Department in the position that, if anyone wished to do so, he could go there and for a fee and have a SCOPE check run on himself. Executive Director Ray said when an individual went to Las Vegas Metropolitan Police Department the PILB would be billed for it. Executive Director Ray explained that if Las Vegas Metropolitan Police Department must run a SCOPE check in order to issue a provisional card. Executive Director Ray said it was no different from their current process. She said staff was set up to run the checks now. She said Las Vegas Metropolitan Police Department would be able to charge an additional fee to the applicant for processing the prints and run the background checks. Board Member Crate said the MOU only anticipated printing people. Executive Director Ray said Metro would run SCOPE and the prints would be sent electronically to the repository. The PILB would then be billed by the repository. If the applicant chose not to apply, that would unnecessarily cause a charge for the PILB. Board Member Crate said a work card referral form was currently in use. He said Metro wouldn't incur any costs. Executive Director Ray said Metro would issue a provisional card and a receipt that the applicant must provide to the Board with their application. Board Member Crate said if the individual completed an application and test online, passed the test, and pay all fees upfront, then a ticket could be produced that would allow whomever to send the prints. Executive Director Ray said she preferred to have the individuals apply online. She said the applicants did not have to go to Metro to be fingerprinted. Executive Director Ray said if the applicants went to Metro, they could ask Metro to print them, send the prints to the repository and receive provisional status on the PILB's behalf. The applicants could also be fingerprinted on hard cards for a \$15.00 fee, could take those cards with them, and send their application to the PILB via US mail. The applicants could go to Fingerprint Pros, have their fingerprints submitted electronically, and provide the PILB with their paper application. She explained that each applicant would receive the PILB number. The PILB would be billed by the repository. Board Member Crate said the PILB would want to make sure it collected its fees before the prints were taken. Executive Director Ray said that would not happen if the applicant submitted a paper application. Executive Director Ray said Gaming had its own procedure in place. If an individual failed to complete the process, Gaming would bill the licensee for the fingerprint charge. The PILB could not do that. Chairman Spencer said, contingent on counsel's approval, he moved to approve the MOU. Board Member Putnam seconded the motion, which carried.

BOARD COMMENT:

Chairman Spencer was amazed that staff did a great job providing for so many people to appear at today's meeting. Board Member Putnam said he was extremely impressed with the caliber of investigations done by the investigators. He thanked the staff.

FUTURE AGENDA ITEMS:

None.

PUBLIC COMMENT AND DISCUSSION ONLY:

None.

Board Member Putnam moved to adjourn, and Chairman Spencer seconded the motion, which passed. The meeting was adjourned.