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TRANSCRIPT OF A MEETING  
OF THE  
STATE OF NEVADA  
PRIVATE INVESTIGATORS LICENSING BOARD

Thursday, October 22, 2015  
8:00 a.m.

Northern Nevada Location:  
Office of the Attorney General  
100 North Carson Street  
Mock Court Room  
Carson City, Nevada

Southern Nevada Location (Videoconferenced):  
Grant Sawyer State Office Building  
555 East Washington Avenue  
Attorney General Conference Room, Suite 4500  
Las Vegas, Nevada

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A P P E A R A N C E S

KEVIN INGRAM (Las Vegas)  
Executive Director

MATTHEW SCHMELZER (Carson City)  
Investigator

LORI IRIZARRY (Las Vegas)  
Investigator

MARY KLEMME (Carson City)  
Investigative Assistant

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1 THURSDAY, OCTOBER 22, 2015, 8:04 A.M.

2 ---oOo---

3 EXECUTIVE DIRECTOR INGRAM: This is the time,  
4 date, and place set for the Private Investigators Licensing  
5 Board workshop to solicit comments on proposed regulations.  
6 And at this time I'd like to call the meeting to order.  
7 There's a few items I'd like to cover first. We will be  
8 accepting public comment at the beginning and the end of the  
9 meeting as well as per each agenda item. Obviously we're  
10 here to solicit comments, so feel free anytime you have  
11 anything you would like to interject, just come on up to the  
12 front here in the south or to the front there in the north as  
13 well.

14 The first time that you state your name for the  
15 record, I would ask that you state your first and last name  
16 and then spell your last name, okay. After that when you're  
17 making a comment, please again state your last name prior to  
18 the comments. We do have a stenographer in the north that  
19 will be transcribing for us today. All right.

20 I would like to remind everyone that if you have  
21 cell phones, go ahead and turn those off if you will. And  
22 with that said, we'll go ahead and start with Agenda Item 1.  
23 I'm sorry. Agenda Item 3. Agenda Item 3 is NAC, Nevada  
24 Administrative Code 648.310. And the proposed language will  
25 clarify who's responsible for the administration of the

1 examination to licensing applicants.

2 Those of you that are just walking in, if I could  
3 get you to sign in at the back and go ahead and grab a  
4 handout. I would like to remind you to turn your cell phones  
5 off.

6 Under NAC 648.310 covers examinations. Currently  
7 in the regulation it states that the board will prepare  
8 examinations and may designate one or more police officers or  
9 the law enforcement officials to administer the test. When  
10 this NAC was originally passed, it was due to the fact that  
11 they felt that all examinations had to be actually proctored  
12 by a law enforcement officer. As you know, we have criminal  
13 investigators that work for us in the north and the south.  
14 That becomes a little difficult at times if someone is not  
15 available. So the proposed language that we have is the  
16 executive director shall designate one or more board staff  
17 members to administer the examination. That allows for us  
18 to, either myself, conduct the examination or any of our  
19 investigators, compliance auditors, or even clerical staff.  
20 What we do is we have a room where the individuals show up  
21 for the examination and we monitor to make sure that  
22 obviously they're doing their own exam and then we grade the  
23 exam directly following.

24 The other portion that we are looking at changing  
25 in NAC 648.310 is under Subsection 5. It currently reads,

1 field examination for licensing as K-9 security handlers and  
2 trainers will not be administered at the same time as written  
3 examinations are being given. As you know, we also conduct  
4 examinations for our certified firearms instructors. And we  
5 didn't have that anywhere in the Nevada Administrative Code.  
6 So we would like to change the verbiage to field examination  
7 for licensing as K-9 security handlers, trainers, and  
8 certified firearm instructors will not be administered at the  
9 same time.

10 The reason that they're not is we have fewer  
11 applicants for those positions and it is a different kind of  
12 test. It is not a written exam for K-9 handlers or certified  
13 firearm instructors. It's a demonstration of mastery,  
14 therefore we have to use law enforcement agencies to assist  
15 us with the K-9 testing and then we have our certified  
16 instructors with the agencies that provide the testing for  
17 certified firearms instructors.

18 Are there any comments on NAC 648.310?

19 MS. IRIZARRY: Investigator Irizarry. I  
20 apologize for those that just walked in, we're on this form  
21 here, the one that says Nevada proposed revisions 10-2015.  
22 This is the one that we're going to use all day long. We're  
23 going to go right from the beginning all the way to the end  
24 just so you can kind of keep up with where we're at.

25 EXECUTIVE DIRECTOR INGRAM: The comment was just

1 made that the front doors were just opened on the building so  
2 we have some people coming in a little bit late so that we  
3 can be aware of that. Normally they have doors open a lot  
4 earlier. So we're running a little behind downstairs, I  
5 guess.

6 So we will have an opportunity to revisit any of  
7 the items during public comment at the end if there is none  
8 at this time. So everybody will be given a chance to speak  
9 on any agenda item that they wish to.

10 Those of you coming in, we are currently on  
11 Agenda Item 3, the very first agenda item. And we are, as  
12 Investigator Irizarry said, on this handout right here, which  
13 is Nevada proposed revisions 10-2015, and we are on the first  
14 I guess it was page two of seven, the first page is blank.

15 Is there any public comment in the north? Any  
16 public comment in the south?

17 We'll move on to Agenda Item 4. Agenda Item 4 is  
18 Nevada Administrative Code 648.330, proposed language to  
19 clarify the expectations of a licensee to place his or her  
20 individual license in to abeyance to become a qualifying  
21 agent for a corporate license holder.

22 Current language in NAC 648.330, Section 2,  
23 currently reads, except as otherwise provided in the  
24 subsection, a licensee who is the qualifying agent for a  
25 corporate license pursuant to Chapter 648 of NRS may have his

1 or her license placed in abeyance as long as he or she  
2 refrains from engaging in licensed activities independent of  
3 his or her status as a qualifying agent.

4 Proposed language would bring this Nevada  
5 Administrative Code in line with NRS. NRS says that a  
6 licensee must place their license in to abeyance to become a  
7 qualifying agent.

8 So our proposed language is simply to replace the  
9 word "may" with "must" and delete "as long as he or she  
10 refrains from engaging in licensed activities independent of  
11 his or her status as a qualifying agent."

12 Is there any public comment on Nevada  
13 Administrative Code 648.330? Public comment in the north?

14 MR. SCHMELZER: No.

15 EXECUTIVE DIRECTOR INGRAM: None in the south.

16 Okay.

17 We will move on to Agenda Item 5. Agenda Item 5,  
18 Nevada Administrative Code 648.338, proposed language will  
19 give authority to the executive director or designee to grant  
20 an exception for a work card to someone eligible to  
21 contribute to any public employee's retirement system. This  
22 one is going to be a little more difficult to explain, so  
23 I'll do my best. If you have any questions, feel free to  
24 step forward.

25 Those of you that have just come in, I would like



1 to set the guidelines for you as well. We do have a  
2 stenographer in the north. So if you'll state your first and  
3 last name and spell your last name, we would appreciate that.  
4 And any comments following that, if you would just state your  
5 last name for the record prior to the comments, that way the  
6 transcriber can accurately reflect the comments today.

7 All right. So we're currently on page three of  
8 seven of the handout. NAC 648.438, right now Section 2  
9 reads, upon receipt of a written request for exemption -- And  
10 this is anyone who -- Let me read the first part as well so  
11 we can see it in context. Section 1, except as otherwise  
12 provided in Subsection 2, a licensee may not employ an  
13 unlicensed person who is or becomes employed, A, as a peace  
14 officer as defined in NRS 169.125, B, by a federal, state or  
15 local law enforcement agency, or C, in a position which makes  
16 the unlicensed person eligible to contribute to any public  
17 employees retirement system.

18 Section 2 currently reads, upon receipt of a  
19 written request for exemption, the board may grant an  
20 exemption from the prohibitions set forth in Subsection 1 if  
21 the board finds that the private activities of the unlicensed  
22 person on behalf of the licensee would not create or tend to  
23 create, A, a conflict of interest with his or her  
24 responsibilities to the public employer and his or her duty  
25 to discharge them, or B, the possibility of a use of his or

1 her position with the public employer for personal advantage  
2 in his or her private activities.

3 Currently the board is the only authority, the  
4 actual board members, is the only authority to grant the  
5 exceptions under this regulation. There are times when  
6 individual licensees come in to town for special events such  
7 as the JCK, the jewelry expo, and other events like that  
8 where entities will come forward to the board because they've  
9 been providing security to these entities for quite a while  
10 and the individuals feel comfortable with the employees that  
11 have been working the event. So they'll come in and they'll  
12 ask for a formal exemption from the board to be able to use  
13 off-duty, out-of-state peace officers for those events only,  
14 only for a time frame designated for that event.

15 The parameters there is the board requires that  
16 it be a small number of individuals and that the licensee try  
17 to use the fewest amount of peace officers as possible.

18 The second part of this NAC says that if anyone  
19 is eligible to pay for a public employee retirement system  
20 that the board must approve those exemptions as well. The  
21 board has delegated that authority to the executive director  
22 that if there's an individual who is a janitor, for instance,  
23 at the Clark County School District and in no way has access  
24 to any law enforcement records or programs or processes, that  
25 the executive director can go ahead and grant that exemption

1 for them to go ahead and have a work card. If their duties  
2 changes, they have to notify the board and at that time we  
3 have to re-evaluate.

4 That delegation was never captured in regulation.  
5 So what we're doing with this change is to be able to give  
6 the executive director the authority or a designee of the  
7 executive director to make the determination on whether  
8 somebody would be eligible for a work card or not.

9 So the proposed change in Section 2 would read,  
10 upon receipt of a written request for exemption, the board  
11 may grant an exemption from the prohibition set forth in  
12 Subsection 1A and B if the board finds that the private  
13 activities of the unlicensed person on behalf of the licensee  
14 would not create or tend to create. In 1A and B that's if  
15 somebody is employed or becomes employed as the peace officer  
16 or if they are federal, state, or local law enforcement  
17 agency or employee.

18 The new language would add a Section 3. And in  
19 your handout it's in blue italics and it simply reads, upon  
20 receipt of written request for exemption, the executive  
21 director or staff member designee may grant an exemption from  
22 the prohibitions set forth in Subsection 1C if the executive  
23 director finds that the private activities of the unlicensed  
24 person on behalf of the licensee would not create or tend to  
25 create, A, a conflict of interest with his or her

1 responsibilities to the public employer and his or her duty  
2 to discharge them, or B, the possibility or use of his or her  
3 position with the public employer for personal advantage in  
4 his or her private activities.

5 So basically the verbiage is the same as in  
6 Section 2 but does give the authority to the executive  
7 director or designee to make that determination on non-peace  
8 officer positions.

9 Are there any questions or comments on NAC  
10 648.338? Any comments or questions in the north?

11 MR. SCHMELZER: No.

12 EXECUTIVE DIRECTOR INGRAM: Okay. Let's move on  
13 to Agenda Item 6, which is Nevada Administrative Code  
14 648.3385. Proposed language will require a registered  
15 employee to have their provisional registration or registered  
16 work card on them while performing his or her duties and will  
17 require them to produce it upon request.

18 Right now, the guidelines that board staff has  
19 been following since I've been in this position for three  
20 years and I believe prior to that was that anyone that has a  
21 work card or anyone that has a provisional registration card  
22 needs to have that on their person when they're working.  
23 Because when we are conducting audits or compliance checks  
24 and we walk up to someone that's working an event in a  
25 uniform, we need to know whether they truly are registered or

1 at least have a provisional registration. Most of the time  
2 we found that individuals had it on them. However, the  
3 larger events, there are times when those employees don't  
4 have that ID card on them, nor do they even have their  
5 driver's license on them. So here's an individual that could  
6 be working unarmed with absolutely no ID on them whatsoever  
7 and they're wearing a security uniform.

8 So, once we've been following these guidelines,  
9 we felt it was in the best interest of everyone to add that  
10 language in to Nevada Administrative Code, so it's a little  
11 clearer of the expectations of everyone.

12 So NAC 648.3385 currently reads, a licensee shall  
13 not employ a person unless the person employed by the  
14 licensee is provisionally registered or registered. All  
15 licensees shall immediately terminate the employment of a  
16 person employed by the licensee if the board notifies the  
17 licensee that the board has denied, suspended, or revoked the  
18 provisional registration or registration of the person.

19 The proposed language of Subsection A and B, A  
20 would be, the new language, the registered employee must have  
21 their provisional registration or registered work card on  
22 their person while performing his or her duties. And B, the  
23 registered employee must also produce it upon request of any  
24 peace officer, representative of the board, or the public.

25 There have been times when local law enforcement

1 has asked to see a work card of an individual working  
2 security and I've been informed by law enforcement that the  
3 employees are refusing to show it to them.

4 Additionally, when we conduct our on-site audits  
5 or compliances, we have come across individuals that are  
6 refusing to show their ID card to us, even though we have the  
7 authority to give and take away the work card.

8 So we wanted to add that language so that  
9 everybody knew that that work card should be produced by  
10 anybody if anyone requests of it.

11 Are there any questions or comments on the  
12 proposed language to NAC 648.3385? Come on up to the front  
13 please. And we want to get you on the record. Thanks.

14 MR. BAKER: Sure. Steve Baker, B-a-k-e-r. I'm  
15 wondering about the rationale and what you first saw was the  
16 need for the public.

17 EXECUTIVE DIRECTOR INGRAM: Well, there are  
18 individuals who are working events that may be event staff  
19 would want to check the ID cards as well, which would be the  
20 general public as well. And I think it's important for those  
21 event staff administrators to be able to request to see that  
22 as well. They are holding their licensees accountable but  
23 they're finding that there are individuals working the events  
24 that do not have that on them. And that was the reason for  
25 that proposed language.

1 MR. BAKER: I understand the intent. I just  
2 question the wording of the general public on that. I  
3 foresee that there may be some issues with upset people and  
4 pursuing you to get your card filing complaints. So we may  
5 want to consider separating that out in to a separate  
6 identification-type clause and the other part of the NAC.

7 EXECUTIVE DIRECTOR INGRAM: And is that something  
8 that you would be willing to put in writing and submit to the  
9 board for consideration?

10 MR. BAKER: Sure.

11 EXECUTIVE DIRECTOR INGRAM: Okay. I appreciate  
12 that.

13 MR. BAKER: Thanks.

14 EXECUTIVE DIRECTOR INGRAM: Is there any other  
15 public comment or questions? Anything in the north?

16 MR. SCHMELZER: No.

17 EXECUTIVE DIRECTOR INGRAM: Okay. Thank you for  
18 that suggestion, Mr. Baker.

19 Item Number 7 on the agenda, NAC 648.340. The  
20 proposed language will -- proposal will repeal this  
21 regulation as this fee is no longer a requirement. When we  
22 look at the language here, the current Nevada Administrative  
23 Code reads, each licensee shall pay a registration fee of  
24 \$8.50 for each of his or her unlicensed employees except  
25 clerical trainees. That fee is no longer required. The

1 requirements are that a licensee add an individual to their  
2 roster or the electronic entry in to the database. We no  
3 longer charge that fee. And there is other language that  
4 covers that all clerical employees must have a work card  
5 anyway. So with that fee no longer being required, we would  
6 like to just repeal NAC 648.340.

7 Are there any questions or comments on NAC  
8 648.340? Any questions or comments in the north? Okay.

9 Moving right along. NAC 648.341, proposed  
10 language will require all work card applicants to pass an  
11 examination and will adjust the passing score from 100  
12 percent to 80 percent.

13 The reason for this proposed language change is  
14 currently there are examinations required for a work card  
15 applicant working in the security field only to pass a  
16 30-question exam. They are given an exam study sheet. They  
17 have time to review it right there. It's available on line  
18 and is available in both locations. And after they review  
19 it, then they take the exam. It is more of an orientation to  
20 laws and regs and what rights they have and what authorities  
21 they have as a work card employee in the State of Nevada.

22 Right now by only being given to security  
23 applicants, as you know, our registered work cards are the  
24 property of the employee, not the property of the company  
25 that they're working for. And what that means is every



1 category of license that the board regulates and authorizes,  
2 all of those categories, any work card employee can work for  
3 any category of licensee. So if I have a work card and I'm  
4 working for, for instance, a reposessor with a work card and  
5 I decide I want to make a little money on the side doing some  
6 security work as well, I can with that same work card go to  
7 work for a security company.

8 By not testing that individual originally because  
9 they applied for working for a reposessor, there's really  
10 not a tracking ability in our system to identify when they're  
11 placed on a new roster that they need to take that exam. So  
12 the thought of adding that every applicant take this exam, it  
13 covers a broad scope of not only security laws and regs, but  
14 other laws and regs that they need to be aware of that  
15 they're working for a different category of license. It does  
16 not add a cost to any of the applicants. It does not slow  
17 down the process of licensees hiring these work card  
18 applicant employees. It's done at the same time of their  
19 application.

20 It takes anywhere from 15 minutes to maybe a half  
21 an hour for them to complete the test. The test is given by  
22 board staff or on line to where it really doesn't take time  
23 and effort out of the licensees to have this added as well.  
24 But it ensures that anyone that gets a work card has gone  
25 through this overview of the laws and regs and then there are

1 more, we believe, they would be more well-suited to work for  
2 any category of license.

3           So in the proposed language, NAC 648.341, it says  
4 that -- Oh, let me give a little bit more overview. I'm  
5 sorry. During the last legislative session when we were  
6 testifying to -- I guess I should say 2013 -- when we were  
7 testifying, the question was posed by legislators on why we  
8 required in the past a hundred percent. They felt that that  
9 was unreasonable and felt that we would be better served and  
10 be providing better services to the public if we were to  
11 lessen the passing score to 80 percent. So we took that  
12 advice and felt we better make that adjustment at the same  
13 time because, as you know, those will be going before the LCB  
14 for approval.

15           So currently each examination, administration,  
16 and passing score, exemption, certification in quarterly  
17 report says, before a licensee employs an unlicensed person,  
18 a private patrol officer, or security guard who is licensed  
19 by the board must, number one, administer an examination  
20 provided by the board and ensure that the unlicensed person  
21 passes the examination with a score of 100 percent or  
22 verifying that the unlicensed person has passed the  
23 examination administered by the board with a score of a  
24 hundred percent, or three, verify that unlicensed person has  
25 passed an examination administered by another licensee within

1 the immediately preceding 60 months with a score of 80  
2 percent. As proof that the unlicensed employee has passed  
3 the examination with a score of 80 -- 100 percent, they may  
4 accept a card issued for that purpose by the board to the  
5 unlicensed employee which contains the results of the  
6 examination or verify the examination through the internet  
7 website established pursuant to NAC 648.3435. And again,  
8 that fell on the licensee to make sure that they contact the  
9 board, checked on line to make sure the person had passed the  
10 security exam prior to employing them. And that was  
11 something that was very difficult to remember because half of  
12 the people that are bringing the work card to the licensee  
13 had already taken the exam anyway.

14 So our proposed language would change the title a  
15 little bit to examination, administration, and passing score.  
16 Deleting exemptions, certification, and quarterly report.  
17 Before a licensee employs an unlicensed person, we would  
18 strike a patrol officer or security guard who is licensed by.  
19 And it would just simply read, an unlicensed person, the  
20 board must. That would capture every person applying.

21 Section 1 would change 100 percent to 80 percent.  
22 We would add an "or" after that 80 percent. We would relabel  
23 the next part to Section 2. I'm sorry. We would strike  
24 Section 2. My apologies. Section 2 verified that the  
25 unlicensed person has passed an examination administered by

1 the board with a score of hundred percent. We would strike  
2 that because we would be doing that for you and then we would  
3 change Section 3 to Section 2. And it would read, verify  
4 that the unlicensed person has passed an examination  
5 administered by state staff or another licensee within the  
6 immediate preceding 60 months with a score of 80 percent. We  
7 would change the next section. We would add Section 3 there,  
8 and change the 100 percent to 80 percent as well. I know  
9 it's kind of confusing. I apologize for misstating a couple  
10 times.

11 Are there any questions or comments on the  
12 proposed changes to NAC 648.341? Any questions or comments  
13 in the north?

14 MR. SCHMELZER: No.

15 MS. KLEMME: No.

16 EXECUTIVE DIRECTOR INGRAM: All right. Section  
17 9, NAC 648.342, proposed language will clarify who is  
18 responsible for ensuring each registered employee has passed  
19 the examination.

20 Currently, NAC 648.342 reads, the examination  
21 provided by the board and administered by the licensee must  
22 be designed to ensure that each registered employee has a  
23 familiarity with and a thorough understanding of core topics  
24 and must include without limitation. And then it goes  
25 through the individual items that must be on the exam.

1 Proposed language would simply add a little bit  
2 of language to the lead-in sentence there, the examination  
3 provided by the board and administered by the licensee, we  
4 would add the words "board or its authorized agent." Just  
5 given the ability for ourselves and anyone that we authorize  
6 to give the exams to individuals, just give them the  
7 authority to do so as well.

8 Are there any questions and comments on proposed  
9 language to NAC 648.342?

10 Mr. Baker, go ahead and come forward.

11 MR. BAKER: Just a question or clarification. Do  
12 we still have licensees administer paper test or is the  
13 changes we made earlier on the underlying system going to  
14 eliminate that?

15 EXECUTIVE DIRECTOR INGRAM: We still have times  
16 when individual licensees may be conducting the examinations.  
17 There are not a lot, but there are a few in the outlying  
18 areas that do so. So it would still give them the ability to  
19 do so. However, we grade those exams.

20 MR. BAKER: All right. My interpretation is that  
21 that the onerous were still on a licensee to test for that.  
22 I'm just clarifying.

23 EXECUTIVE DIRECTOR INGRAM: Okay. Thank you.  
24 Any other questions or comments? Questions or comments in  
25 the north?

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MR. SCHMELZER: None.

EXECUTIVE DIRECTOR INGRAM: Item Number 10 on the agenda, NAC 648.343. Proposed language will eliminate outdated requirements and establish audit procedures for the board.

Investigator Irizarry, I'm getting a little dry here. Would you go ahead and read NAC 648.344(sic) in to the record and read it as written right now and then we'll cover what's going to be stricken after that.

MS. IRIZARRY: It's NAC 648.343. The way it currently reads is, completion and submission of forms provided by board, records of licensee, proof that the employee passed examination. Subsection 1, a private patrol officer or security guard licensed by the board who administers an examination provided by the board to an unlicensed person shall record the date of the examination on the unlicensed person's record on the internet website established pursuant to NAC 648.3435 within five business days after the date of the examination.

Subsection 2, the licensee shall keep a copy of results of the examination on file for 60 months after the date of the examination. The board may audit the last records of the licensee. The licensee shall notify the board through the internet website established pursuant to NAC 648.3435 within ten days after the licensee terminates the

1 employment of an unlicensed employee.

2 Subsection 3, as proof that an unlicensed  
3 employee has passed the examination with a score of a hundred  
4 percent, a licensee may accept a card issued for that purpose  
5 by the board to the unlicensed employee which contains the  
6 results of the examination or verify the examination through  
7 the internet website established pursuant to NAC 648.3435.

8 EXECUTIVE DIRECTOR INGRAM: Thanks. So, again,  
9 you can see some redundancy in some of the language. We just  
10 covered it in the previous Nevada Administrative Code. So  
11 our proposed language here since a lot of this is no longer  
12 pertinent to the way that we conduct business, we are  
13 proposing to strike the first portion written through Section  
14 2. You can actually see that in your handout in red.  
15 Additionally changing the title to just simply being audit  
16 function.

17 In this Nevada Administrative Code it currently  
18 says the board may audit your records, but it doesn't tell  
19 you what we're going to audit. So it sets a licensee up for  
20 failure because we're not telling you what we're going to  
21 audit. And we feel that it's important to set our licensees  
22 up for success by letting you know what specifically we're  
23 going to be looking at when we conduct an audit for you. We  
24 always give you at least a two-week notice before we start  
25 our audit and sometimes longer if the need arises. But this

1 would allow to you go back and actually set up your records  
2 for all of your employees in a way that would help you as the  
3 licensee as well as help us when we're asking for information  
4 to audit, okay.

5 So by striking that Section 1 and 2, we would  
6 start off with Section 1, which is your blue italicized  
7 number one there about halfway down, and it says the board  
8 may audit the last three consecutive years records of the  
9 licensee. Licensees who hold a license pursuant to NRS or  
10 NAC 648 are subject to an audit to ensure compliance with  
11 applicable statutes and regulations.

12 We would then add new sections, two, three, and  
13 four. New Section 2 would be an audit may be conducted on  
14 site and/or records may be requested to perform an audit in  
15 house by the board or its authorized agent.

16 Section 3 would read, each licensee must upon  
17 request make available the records required for an audit  
18 within 30 calendar days, giving licensees enough time to get  
19 that information together. We don't want to knock on your  
20 door and walk in and say, we're here to audit, show me all  
21 your records. That's not the way to conduct an audit, okay.  
22 So 30 calendar days.

23 Section A, audit records to be requested may  
24 include but not limited to: B, the proof of current  
25 liability and workers compensation insurance coverage, C,



1 copy of state licenses, D, copy of general letterhead,  
2 business card, in addition to the requirements pursuant to  
3 NAC 648.525, E, a list of employees on the last four quarters  
4 of unemployment insurance reports to the State of Nevada, F,  
5 payroll records, G, a passport-size photograph of each person  
6 employed by the licensee pursuant to NAC 648.3385(5), H,  
7 color photographs which accurately depicts the features of  
8 the uniform, badge, patch, or vehicles used pursuant to NAC  
9 648.530, and I, a current copy of the verification of  
10 employment for armed security form for all applicable  
11 employees.

12 Section 4 then would read, the failure of a  
13 licensee to furnish the information necessary to conduct an  
14 audit is grounds for a fine not to exceed \$5,000 and for the  
15 licensee to be brought before the board for possible  
16 disciplinary action.

17 Now, Section 5 would be only if a licensee  
18 absolutely refused to produce audit records. And we tried to  
19 but the verbiage in there, a fine not to exceed, because it's  
20 going to be dependent upon what wasn't provided, the amount  
21 of the fine would be assessed.

22 Are there any questions or comments on NAC  
23 648.343? Mr. Baker, go ahead and come forward.

24 MR. BAKER: Just point number three. As listed,  
25 the licensee is responsible for the records. Can we consider

1 something more like a copy of the unemployment insurance? A  
2 list of employees, I can just run you a spreadsheet and say  
3 that's my list. And the last four quarters may be  
4 eliminated. You may get something in the audit review to go  
5 back further. So just maybe strike that first half of the  
6 sentence for copy. And maybe curve the sentence out. It may  
7 be covered under but not limited to under 3-A. But just  
8 normal business records or filings. So we've got the Nevada  
9 stuff here, but you may want to also check their annual  
10 filing for the federal government to make sure that they  
11 match.

12 EXECUTIVE DIRECTOR INGRAM: Once again, would you  
13 be willing to put that in writing for us and submit that to  
14 me?

15 MR. BAKER: I guess I opened myself up to that,  
16 haven't I?

17 EXECUTIVE DIRECTOR INGRAM: I appreciate that.  
18 Thank you, sir. I want to make sure that we accurately  
19 captured that. I know that we've got a stenographer, but as  
20 you think about that a little bit more, you may want to tweak  
21 it a little bit. So any of these items that we're covering,  
22 anyone please feel free to submit written instructions. I'd  
23 like to have those no later than the end of next week, which  
24 would be the 30th --

25 MS. IRIZARRY: The 30th is state holiday, so the

1 29th.

2 EXECUTIVE DIRECTOR INGRAM: So the 29th of this  
3 month. If you can get me any suggestions in writing, that  
4 would be very appreciated and we'll take that in to account  
5 as well.

6 Are there any other questions or comments  
7 surrounding NAC 648.343? Comment or questions in the north?

8 MR. SCHMELZER: None.

9 EXECUTIVE DIRECTOR INGRAM: Okay. Agenda Item  
10 Number 11, NAC 648.344, proposed language will require the  
11 licensee to notify the board of a new employee being added to  
12 their roster. This language will bring the number of days in  
13 to compliance with the NRS. Currently the Nevada Revised  
14 Statutes says that the employee who becomes employed must be  
15 placed on their electronic roster or entered in to our  
16 database within three business days. However, the Nevada  
17 Administrative Code says five days. So we'd like to bring  
18 that regulation in line with the NRS. That has been an error  
19 that's been in there for I'm not sure how long. But time to  
20 get it fixed.

21 So the only change under NAC 648.344 would be in  
22 Section 1. And I'll go ahead and read it in to the record.  
23 If a person who is registered becomes employed by another or  
24 additional licensee, the new employer shall file a change of  
25 employment notice with the board by entering the information

1 required by the board in to the system of records contained  
2 on the internet website established pursuant to NAC 648.3435  
3 not later than, currently reads five. We would strike five  
4 and replace it with three business days after the employee  
5 becomes employed with the new employer.

6 Are there any questions or comments on NAC  
7 648.344 proposed language?

8 Questions or comments in the north?

9 MR. SCHMELZER: None.

10 EXECUTIVE DIRECTOR INGRAM: Agenda Item 12, NAC  
11 648.530, proposed language will clarify the needs for  
12 licensees to add their license numbers to any vehicles  
13 associated with their work and will require badge  
14 requirements.

15 I would like to let you know that the current  
16 proposed language that you're looking at, I've had a number  
17 of individuals speak on behalf of this and I just want to  
18 bring this up before we read this, where they're saying what  
19 about if I'm driving an unmarked vehicle such as a private  
20 investigator who is doing a covert surveillance.

21 The intention of the proposed language was never  
22 to have somebody identified if they were in an unmarked car.  
23 But that's what the language says right now. So I would  
24 really welcome your comments on that when we get to that  
25 portion.

1                   What we were really -- the intent of this  
2 proposed language was, if you have a marked car that has your  
3 business name or a specific logo for your business on a  
4 vehicle, at that time it should be marked also with the  
5 license number. We consider that a form of advertisement.  
6 And we would like to have that license number put on those  
7 vehicles. So I just want to put that on the record before we  
8 start here.

9                   So NAC 648.350, currently the title is uniforms,  
10 badges and patches. We would like to add the word  
11 "vehicles." So it would be uniform, badges, vehicles and  
12 patches.

13                   Section 1, if an applicant or licensee intends to  
14 use a uniform, badge or patch -- Well, we should have vehicle  
15 in there too, shouldn't we? Uniform, badge, vehicle, or  
16 patch in connection with the licensed activity of the  
17 applicant or licensee must submit -- Right now it says must  
18 submit with the application. It's kind of nice to know who  
19 to submit that to. So we're going to add in there must  
20 submit to the executive director for approval with the  
21 application or before use of the uniform, badge, vehicle or  
22 patch, a color photograph which accurately depicts the  
23 features of the uniform, badge, vehicle, or patch.

24                   Currently the way that this works is anyone that  
25 is using a uniform or a logo they submit to the executive

1 director, I review it to make sure that it meets the  
2 requirements as established with our agency, our protocols.  
3 Also, I am in direct contact with local law enforcement,  
4 county code, and will forward to them as well for approval.  
5 And again, we would just like to use for vehicles. I've been  
6 working with law enforcement agencies in the north and the  
7 south and they're saying that there's a lot of unmarked cars  
8 running around that look like police vehicles. So we're  
9 going to address that as well. But if you have a logo or a  
10 name on your vehicle, again, having your license number on  
11 there to also assist law enforcement.

12 So Section 2 then, a licensee must not use a  
13 uniform, badge, vehicle, or patch in connection with the  
14 licensee's business which is the same or deceptively similar  
15 to a uniform, badge, vehicle, or patch used by any other  
16 licensee or law enforcement agency in the state.

17 Again, local law enforcement has some retired  
18 police vehicles that have been painted and they've got  
19 spotlights on them. They've got identifiers on the vehicle  
20 that make them look like a police vehicle, you know, call  
21 911, and they're concerned about that. So we're trying to  
22 get in line with the county code as well.

23 The next part of Section 2 then reads,  
24 restrictions include badges with a seven-point star, badges,  
25 patches, or logos with the Nevada state seal, and uniforms

1 and equipment that are indistinguishable from local law  
2 enforcement. Use of any name, seal or acronym that may be  
3 interpreted as implies that the licensee or business is  
4 affiliated with any public agency or entity.

5 We have some of the logos that have been  
6 submitted to me that it looks identical to the state seal of  
7 Nevada and one that was identical to the attorney general's  
8 seal. All they did was put their name in it. So we don't  
9 want it to misrepresent or make it look like they are a  
10 government entity.

11 Section 3 we can do as well. That would read,  
12 each vehicle utilized by the PILB for the designation of the  
13 private investigators licensing board. So PILB, followed by  
14 their private investigators license number permanently  
15 affixed to the driver's side, passenger's side, and rear of  
16 the vehicle. The license lettering must be sufficient in  
17 size to be clearly legible from the center of the nearest  
18 street or roadway, measuring at least three inches high and  
19 one inch wide. This is the exact language from county and  
20 city codes, so we decided let's just make it standard. Let's  
21 follow their guidelines and it would make it a lot easier for  
22 consistency across the state.

23 Are there any questions or comments in regards to  
24 the proposed changes to NAC 648.530? Mr. Baker, come  
25 forward.

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(The court reporter interrupts)

MR. BAKER: On Section 2, restrictions include badges with seven-point star. You may just want to leave it at badges and restriction are not limited to in badges. Because while we have the -- in this particular economy issue with the seven-point star, we also have some issues with the shield size similar to Henderson and North Las Vegas. So that one is just a common issue that we have with separating law enforcement from the private sector. It may limit people to what they're looking at. Just consider language there.

Under the Section 3 where we get in to marking a vehicle, last night I saw a vehicle that I know was operated by a contract officer with amber lights on it patrolling a shopping center with no markings on it. So technically is that a marked vehicle or not. So that amber light issue may or may not be something that we want to be in there or how it's used.

Also, the category of license for repossessors are generally not marked vehicles. I wonder if that may be something we want to pursue. I do not hold that category of license. You may want to reach out to somebody who does and see what the effect on them would be. But I think that would be a category we may want to be able to identify them from a distance.

EXECUTIVE DIRECTOR INGRAM: So you're talking



1 about a company that's repossessing a vehicle with no  
2 lettering or logo on the side of the vehicle but does still  
3 have a license number attached?

4 MR. BAKER: Well, it didn't at the time. And  
5 under the proposal, it's my understanding that we're only  
6 looking to marked vehicles. So if it's an unmarked tow  
7 vehicle, whether that would be something we want to have  
8 marked or whether it needs to be called off separately or  
9 not. Thank you.

10 EXECUTIVE DIRECTOR INGRAM: Any other public  
11 comment or questions? Comments or questions in the north?

12 MR. SCHMELZER: None.

13 EXECUTIVE DIRECTOR INGRAM: Okay. Thank you.  
14 Item Number 13, NAC 648.570, proposed language will allow for  
15 unlicensed persons to submit a bid for activities regulated  
16 by this chapter. However, it does not permit that person to  
17 conduct any activity in the state prior to obtaining a  
18 license to do so.

19 This request actually came from the Department of  
20 Administration Procurement Department. They are responsible  
21 for sending out RFPs or bidding for state contracts. And the  
22 one specific example I can give you is that they are trying  
23 to create contracts for transportation of inmates intrastate  
24 and interstate to and from Nevada. And when they opened up  
25 the RFP, the only bids that would come in were from people

1 out of state. They would contact me and say this guy is  
2 bidding, you need to write him a citation. But really, if  
3 they're the only ones providing a bid, why -- our thought is  
4 what can we do to help the State of Nevada get individuals  
5 that are willing to provide those contracts.

6 I worked with state procurement and the attorney  
7 general's office on this. I sent an e-mail out, some of you  
8 may have received that, to every private security company  
9 that we currently have licensed in Nevada and I let them know  
10 that there was a current RFP out and if they were interested  
11 in bidding on that contract to contact state procurement.

12 Two individuals contacted state procurement and  
13 said, well, that's something I may be interested in, but  
14 you're not going to provide busses or cars to transport them,  
15 which is part of the contract is you have to have vehicles to  
16 be able to do that and to transport inmates. As you can  
17 imagine, that's a pretty exorbitant cost to do that.

18 So even with our outreach with our current  
19 licensees in the state, nobody was interested in bidding on  
20 the contracts. The only ones that bid on the contracts were  
21 the two entities that are currently licensed in the state to  
22 provide those services. But again, the state would like more  
23 options. So that's how that came to be.

24 And I would like to go ahead then and read in to  
25 the record the proposal from state procurement. But you'll

1 also see an or for a second submission. This second  
2 submission was the attorney general's office reviewing the  
3 original proposal and giving their suggestions as well.  
4 Okay.

5 So the first one, in NAC 648.570 under Section 1,  
6 it says, a person who is not licensed pursuant to Chapter 648  
7 of NRS and is not exempt from the provisions of Chapter 648  
8 of NRS related to licensure shall not act as a contractor for  
9 the purposes of engaging in any activity regulated by Chapter  
10 648 of NRS.

11 Section 2 currently reads, a bid submitted by a  
12 person described in Subsection 1 is void. The board will  
13 consider the submission of such a bid as a violation of NRS  
14 648.060, which would carry a first-time citation of \$2500.

15 The suggestion by procurement was to strike the  
16 last verbiage in Section 1 where it says or submit a bid  
17 related to any such activity, to strike that, and to strike  
18 Section 2, a bid submitted by a person described as void and  
19 to submitted as such bid as violation. And their suggestion  
20 was to add verbiage of a person may submit a bid related to  
21 activities regulated by Chapter 648 of NRS without first  
22 obtaining a license. However, nothing in this subsection  
23 permits a person to operate or otherwise conduct a bid --  
24 activity in the state before first obtaining a license  
25 pursuant to subsection.

1           The board's stance on that new verbiage, we would  
2 not support that verbiage as written because that's the whole  
3 reason that 648.570 came to be was we don't want anybody from  
4 any state anywhere coming in and giving bids against our  
5 licensees in Nevada. You know, we have a right to protect  
6 our licensees here and that's what we want to do.

7           And in speaking with the chief attorney general,  
8 he had spoken to procurement, as well as myself on the phone,  
9 and the agreement was he was going to formulate some proposed  
10 language, and I would like to read that in to the record now.

11           So NAC 648.570 as proposed by the AG's office,  
12 Section 1 says, a person who is not licensed pursuant to  
13 Chapter 648 of NRS and is not exempt from the provisions of  
14 Chapter 648 of NRS related to the licensure shall not act as  
15 a contractor for the purposes of engaging in any activity  
16 regulated by Chapter 648 of NRS or submit a bid related to  
17 such activity. And the addition would be, except as  
18 otherwise provided in Subsection 3.

19           Subsection 2, their suggestion is to add, except  
20 as otherwise provided in Subsection 3, comma, a bid  
21 submitted -- A would be the addition, bid submitted by the  
22 person described in Subsection 1 is void. The board will  
23 consider the submission of such a bid a violation of 648.060.  
24 And then Subsection 3 would then clarify who could bid. And  
25 that would be all new language. And that reads, a person may

1 submit a bid for a contract with the federal government or  
2 the State of Nevada relating to activities regulated by  
3 Chapter 648 of NRS without first obtaining a license,  
4 however, nothing in this subsection permits a person to  
5 operate or otherwise conduct any activity in the state before  
6 first obtaining a license pursuant to this subsection.

7 The reason this language was drafted this way was  
8 that gives the ability of somebody who is looking for an RFP,  
9 if it's a state or federal contract, that they can solicit  
10 bids from individuals who aren't currently licensed here.  
11 Most of the individuals submitting a bid on these types of  
12 contracts are not currently licensed here and the only reason  
13 they would be become licensed here is if they were awarded  
14 that state or federal contract.

15 So to have them go through the licensing process,  
16 and as you know it's a pretty lengthy process, three to six  
17 months, and there's a pretty hefty amount of money that is  
18 put in to obtaining licensure from the board, to have them go  
19 through that process only to not be awarded the bid, the  
20 State is feeling, well, maybe we can help that out a little  
21 bit, maybe we can get better individuals applying for the  
22 contracts here in Nevada.

23 So that was the reason behind it is they would be  
24 able to bid on a contract for a state or federal contract,  
25 however, they would not be able to start any work in Nevada

1 until they became licensed and registered with the State of  
2 Nevada. So there would still be a little delayed process  
3 before they can perform the duties, but it would allow them  
4 to actually bid on the contract.

5 Are there any questions or comments on either of  
6 the proposed language as we've discussed?

7 MR. SCHMELZER: We have one in the north.

8 EXECUTIVE DIRECTOR INGRAM: Go ahead and let the  
9 north go first and then we'll come back to you. Go ahead in  
10 the north, please.

11 MS. LIVERMORE: Hello. My name is Wendy  
12 Livermore, L-i-v-e-r-m-o-r-e. I'm with the Nevada Attorney  
13 General's office in the extradition division. And I think  
14 you explained it very well, Kevin, so I don't really think I  
15 have much to say other than in contact with purchasing  
16 division we are -- they are in support and we are in support  
17 of the or proposal. But there would be one language change  
18 and we could put that in writing for you. But they would, I  
19 think, like to see in that Subsection 3 it say a person may  
20 submit a bid and/or a proposal. There seems to be a  
21 definition change there in that purchasing world, that they  
22 would like to see that that language in there, bid and/or  
23 proposal.

24 EXECUTIVE DIRECTOR INGRAM: Okay. Thank you.  
25 And I captured that so you won't need to give that to me in

1 writing.

2 MS. LIVERMORE: Oh, okay.

3 EXECUTIVE DIRECTOR INGRAM: But thank you very  
4 much.

5 MS. LIVERMORE: Thank you.

6 EXECUTIVE DIRECTOR INGRAM: Are there any other  
7 comments or questions? Go ahead.

8 MR. MOHEN: Lee Mohen, M-o-h-e-n. I just want to  
9 make sure I understand this quickly. We have a number of  
10 national clients that we do background searches on, in-depth  
11 background searches that are not licensed here. And these  
12 are people that have footprints in a lot of states. They use  
13 people like us because we have the PI license. If they're  
14 allowed to come in and get this license, they don't need us  
15 anymore. And there's a lot like us that they wouldn't need  
16 anymore. It's nice that they're trying to make it easier for  
17 them and get good people, but we kind of think we're good  
18 people.

19 EXECUTIVE DIRECTOR INGRAM: Right.

20 MR. MOHEN: We've never had a complaint. Never  
21 been fined, you know.

22 EXECUTIVE DIRECTOR INGRAM: Now, are you talking  
23 specifically about state and federal contracts?

24 MR. MOHEN: State contracts.

25 EXECUTIVE DIRECTOR INGRAM: State contracts,

1       okay.

2                       MR. MOHEN:  We've done -- Well, without  
3       mentioning, we've done state contracts, okay.  But again,  
4       they came to us through this party.  So they had the, what do  
5       you call, the RFP.

6                       EXECUTIVE DIRECTOR INGRAM:  RFP.

7                       MR. MOHEN:  And they pay us to do the work.

8                       EXECUTIVE DIRECTOR INGRAM:  Sure.

9                       MR. MOHEN:  And then the state pays them.  Just I  
10       don't think it's a good thing for us.  I don't think it's a  
11       good thing for a lot of PI's.  We've already seen a lot of  
12       erosion in our business.  You used to have to have a PI  
13       license to do record retrieval.

14                      EXECUTIVE DIRECTOR INGRAM:  Right.

15                      MR. MOHEN:  Well, the chickens have come home to  
16       roost on that.  If you could see what's going on in that  
17       court house, it's a zoo.  And you're getting people that are  
18       getting paid under the table, purple hair.  Nothing against  
19       purple hair.  But you kind of get what you pay for.  We're  
20       competing with hundreds of companies now just sprung up  
21       overnight from California and Arizona.

22                      So I don't know what to do for these people that  
23       would get the -- that would be allowed to pick.  I know  
24       they're bigger than all of us.  I know none of us can  
25       probably compete with them, especially when they don't have



1 to pay us.

2 EXECUTIVE DIRECTOR INGRAM: Right.

3 MR. MOHEN: So that's my comment.

4 EXECUTIVE DIRECTOR INGRAM: I appreciate that.  
5 Thank you. And if you'd like to submit that to me in  
6 writing, I would appreciate that.

7 MR. MOHEN: No problem.

8 EXECUTIVE DIRECTOR INGRAM: Thank you. Are there  
9 any other questions or comments?

10 MR. SAMMUT: There is.

11 EXECUTIVE DIRECTOR INGRAM: How are you doing,  
12 sir?

13 MR. SAMMUT: Steve Sammut, S-a-m-m-u-t. I work  
14 with Rock Security and I've actually worked with the  
15 extradition contract before on behalf of the attorney  
16 general's office. Wendy and I know each other by voice. The  
17 whole idea behind this, I get it, you know. The RFP was  
18 withdrawn due to not enough interest and due to the fact that  
19 they wanted some national transportation companies to be able  
20 to bid on this and this gives them time to go through the  
21 process and go ahead and do that.

22 My concern is I'm trying to keep revenue in the  
23 State of Nevada. You know, I'm not trying to pump it in to a  
24 company that is based in Philadelphia, you know. So I don't  
25 necessarily agree with this. I just wanted that to be on the

1 record.

2 EXECUTIVE DIRECTOR INGRAM: And would you be  
3 comfortable putting something in writing?

4 MR. SAMMUT: Absolutely. You'll be getting a  
5 lengthy e-mail from me.

6 EXECUTIVE DIRECTOR INGRAM: Thank you. Any other  
7 questions or comments? I'd like to solicit comments on, as  
8 Ms. Livermore put on the record, that she supports the second  
9 alternative, the or, with the addition of and/or a proposal.  
10 I'd like to solicit comments on individuals that would  
11 support the first version or the second version to kind of  
12 give us an idea of what direction the majority sees us going  
13 in. Okay. Nothing. Nothing in the north?

14 MR. SCHMELZER: Nothing in the north.

15 EXECUTIVE DIRECTOR INGRAM: Okay. Thank you.

16 Item Number 14, proposed language to establish  
17 the definition and duties of a qualifying agent. This is  
18 brand new language, so you'll see it directly under NAC  
19 648.570, and it's simply labeled NAC 648 with the qualifying  
20 agent defined in this definition.

21 The reason this came about is there are several  
22 references in Nevada Administrative Code and in NRS for a  
23 qualifying agent. And we have -- the board knows what, we  
24 know what a qualifying agent is and individuals that are a  
25 qualifying agent know what it is, but there's nothing really

1 written in the regulation to define it. And I've had several  
2 individuals contact the office and say, look, I'm thinking  
3 about becoming a qualifying agent for a company, what does  
4 that mean. So there's been several requests for us to try to  
5 define that.

6 So the proposed language -- And again, this is  
7 just -- We can change it however we need to. Proposed  
8 language says, qualifying agent defined, qualifying agent  
9 means any license holder that has placed their individual  
10 license in to abeyance and has been approved by the board to  
11 represent and work for any company licensed by this board.  
12 This individual is responsible for managing the company in  
13 this state, is responsible for the day-to-day operations and  
14 the conduct and professionalism of staff, is responsible for  
15 executing and completing all necessary documents to maintain  
16 licensing status pursuant to this chapter, acts as the  
17 advisor to corporate management, is responsible for carrying  
18 out all provisions of this chapter, and is responsible for  
19 complying with all lawful and reasonable orders of the board.

20 Now, we've kept this kind of broad for a reason  
21 because we know there's that famous all other duties as  
22 assigned. So I would like to solicit any comments or  
23 suggestions on this new language to define qualifying agent.

24 Mr. Baker, go ahead and come forward, please.

25 MR. BAKER: Steve Baker again. You're going to

1 have a lot of writing to do with me.

2 EXECUTIVE DIRECTOR INGRAM: Yes.

3 MR. BAKER: My only comment on this is in the  
4 definition of day-to-day operations --

5 EXECUTIVE DIRECTOR INGRAM: Okay.

6 MR. BAKER: -- and how we interpret that. I  
7 think what you're -- just the overall operation on a daily  
8 basis, which means that you're not an absentee qualifying  
9 agent. Because day-to-day operations could include if you  
10 walked up right now and I have a QA for a company and asked  
11 me how many people do I have on post right now, I couldn't  
12 tell you. I could guess. Or who is where or what and what's  
13 exactly occurring on any particular account, that type of  
14 level of day-to-day operations is a little overreaching. So  
15 just maybe overall operation and management or maybe some  
16 other wording on that one. All the rest of it I have no  
17 issues. Thank you.

18 EXECUTIVE DIRECTOR INGRAM: Okay. Thank you.

19 Any other comments or suggestions on proposed  
20 language for defining qualifying agent? Any in the north?

21 MR. SCHMELZER: We have no one in the north.

22 EXECUTIVE DIRECTOR INGRAM: Next agenda item.

23 Agenda Item Number 15. This is NAC 648.431(sic), proposed  
24 language will increase the amounts of -- I'm sorry. Item  
25 Number 15. Proposed language will increase work card

1 registration fees from \$85 and \$95 to one flat rate of \$135.  
2 NAC 648.3403 currently reads, the board will charge and  
3 collect the following fees for registration with the board,  
4 A, if the applicant submits to the board two fingerprint  
5 cards \$95, or if the applicant submits to the board a receipt  
6 for the electronic submission of fingerprint cards, \$85.

7 Section 2, each applicant must submit the fee  
8 required by Subsection 1 with the identification for  
9 registration.

10 Section 3, the fee required is in addition to any  
11 other fee required by law.

12 The proposed language would read as Section 1,  
13 the board will charge and collect a fee of \$135 for  
14 registration with the board. Striking the remainder in  
15 Section 1.

16 In the past when we submitted fingerprints to DPS  
17 for the criminal repository, if we submitted a hard card, the  
18 fee was \$95. And if it was electronic, it was \$85. We are  
19 charged the exact same amount by DPS in the criminal  
20 repository now. There's no additional fees. So that's why  
21 we would get rid of the two tiers.

22 The reason for the increase of the applicant fee  
23 is to try to recoup the monies that it takes for us to  
24 process an application for a work card. This would be an  
25 increase of \$50. And as most of you are aware, work card --

1 registered work cards are good for five years. So basically  
2 we're looking at a \$10 increase per year for -- to cover the  
3 cost of our administration fees and other fees associated  
4 with running the backgrounds. Currently with an application,  
5 the applicant paid \$85. \$38.25 of that \$85 automatically I  
6 pay back to the DPS to run fingerprints, so let's round that  
7 to \$40. That leaves me 45 and change to cover the  
8 administrative cost. Administrative costs include salaries  
9 of staff to process and input the information in to the  
10 database, to track and make sure that the background comes  
11 back clear, review of the fingerprints once those come back  
12 by our investigators, administrative staff entering all the  
13 information in to the database, printing of the cards, which  
14 a card right now, including consumables, runs just under  
15 eight dollars a card. So you can see that those fees are  
16 eaten away very quickly.

17 And as of right now, we are not covering the  
18 costs associated with processing the work card at the \$85. I  
19 know that this is an impact up front on applicants and I know  
20 it's difficult right now for you to get applicants to get a  
21 work card. \$85 is a lot out of their pocket. And now we're  
22 saying, okay, well, now we need \$135 up front. And I know a  
23 lot of the licensees cover the cost of those cards initially  
24 for your staff. And I would just hope that you understand  
25 that we're not doing this to make a profit. We're doing this

1 to be able to cover our costs.

2 Lori, did you -- Investigator Irizarry, did you  
3 have any other specific information on the work card?

4 MS. IRIZARRY: Investigator Irizarry. I checked  
5 from February 2015 to July of 2015, 50 work cards. So from  
6 the moment that the person came in to the office to the time  
7 they actually got their official card, how much time it took,  
8 how much money was invested. If it's a simple background,  
9 obviously it's a lot quicker to get the work card, as opposed  
10 to somebody with a criminal background and contacting courts  
11 and different agencies took a lot longer. So between those  
12 50 cards, it averaged anywhere we lost -- The most expensive  
13 background we lost \$2.43 for every work card. But the  
14 quicker backgrounds we got a profit of about 21 and change.  
15 So the range varied to how quick a card was or how extensive  
16 it was. But the overall average was about 17 or \$16 and  
17 change that we were making in profit on a card. But that was  
18 only with 50 cards. And considering the months of May and  
19 June were our busiest time of the year because large  
20 festivals are in town, that could be slightly skewed, but we  
21 weren't making a large profit off the profit of the work  
22 card.

23 EXECUTIVE DIRECTOR INGRAM: In addition to that,  
24 if there's an appeal, those individuals now have to be  
25 scheduled to come before the board for their appeal, which

1 again adds to cost to where it looks like there's a profit,  
2 so to speak. But when you look at the appeals and the number  
3 of people that are coming before the board, that skyrockets  
4 in expenses.

5 The other thing that I would like to point out is  
6 that we are not a profit agency. So while it's on the  
7 positive side, our budget for the Private Investigators  
8 Licensing Board, we do not have the ability to go before the  
9 legislature and ask for funding. We are a non-executive  
10 budget, which means we're self-funded.

11 So if -- if we do not have some monies coming in  
12 over and above exact costs, we no longer exist. We have to  
13 be able to justify through our cost of -- our revenues  
14 generated through licensing, background checks, and the work  
15 cards. That's what pays all of our bills, all right. So  
16 it's not that we're having a profit at the end.

17 Additionally, any citations and fines collected  
18 by the board do not stay in the board budget. Those are  
19 automatically sent back to the state's general fund. So  
20 while some agencies say, well, all you got to do is write  
21 some more fines and you can justify your existence, that's  
22 not the case. And that's never why you would impose a  
23 citation or fine in the first place. You would do it for  
24 unlawful performance or behaviors, okay. But all of the  
25 monies are collected through citation and fines. While you



1 might think we're sitting back making money, we revert that  
2 back to the state general fund and in no way does it support  
3 our agency.

4 Are there any questions or comments on the  
5 proposed changes to NAC 648.3403? Comments or questions in  
6 the north?

7 MR. SCHMELZER: None in the north.

8 EXECUTIVE DIRECTOR INGRAM: Still no one?

9 MR. SCHMELZER: No.

10 EXECUTIVE DIRECTOR INGRAM: Thank you. Item  
11 Number 16, NAC 648.431, proposed language will increase the  
12 amounts of fines for violations of Chapter 648. We have a  
13 separate handout for you. It is on page seven of this  
14 handout, but we have a separate handout also that just has  
15 this page on the cover for you. And the following are the  
16 respective NRS's and NAC's that are referenced throughout the  
17 citation section. And this may get a little confusing, so  
18 again, please speak up if we need to clarify something for  
19 you.

20 In the past, our citations and fines have been on  
21 an incremental scale. First offense was a certain amount.  
22 Second offense was the next level of fine. And third and  
23 subsequent offenses went up to the next level. The way it  
24 was written, it was hard to be able to identify whether it  
25 was a first, second, or third violation and how do you define

1 that. If you got to give someone a citation in 2014 for  
2 failure to put somebody on their roster and in 2015 they did  
3 it again, do you give them a first offense or a second  
4 offense and every year after that. Those were things that  
5 were being questioned.

6 Additionally, when we looked at the citation and  
7 fine amounts, I asked Investigator Irizarry to choose at  
8 least five states to compare our citation and fines with.  
9 And do you have those -- that information that you can  
10 provide to us?

11 MS. IRIZARRY: So the states I looked at were the  
12 ones surrounding us, Utah, Arizona, California, and another  
13 large state, Florida. What I found, for instance, Arizona,  
14 the way they do their citation is -- when I contacted someone  
15 at their Arizona DPS they stated to me that they do not issue  
16 monetary fines 99 percent of the time. To their knowledge,  
17 and they have nine to ten board meetings a year, and what  
18 they do instead is they can either bring the individual  
19 employee or the company itself before the board for  
20 disciplinary action, suspension, or denial of a license up to  
21 a year, or if it's a business they can actually suspend or  
22 revoke their license indefinitely.

23 So I posed the question if it was just one  
24 employee that you had working for you that did not have a  
25 work card what would the outcome be to a licensee or business

1 owner. Because to them they don't have licensee and work  
2 cards, they're all considered a license. The individual  
3 license if they know we had a card was brought before, that  
4 individual, the board and that license worker would have  
5 their card revoked, suspended, or denied or it could go to  
6 the license holder depending on the situation.

7 But the first opportunity that someone violates  
8 in the State of Arizona it is an opportunity for them to  
9 issue a misdemeanor criminal action against them. So they  
10 take a more criminal stance and non-monetary. So that would  
11 be Arizona, one of our neighbors.

12 For instance, in Florida, they do something  
13 similar with the issue of money. They issue violations and  
14 fines on a four-category scale. It's called class one, two,  
15 three, or four. The fines would either be increments from  
16 1,000 up to 10,000 or more depending on the situation. I  
17 posed the exact same question, if one person didn't have a  
18 work card, would it be an automatic thousand dollar fine and  
19 is it to the individual or to their company. In Florida it's  
20 issued to the company, and yes, it would be a thousand dollar  
21 fine. They have the authority to bring them before the board  
22 as well. But different from Arizona where Arizona doesn't  
23 issue money, Florida issues the monetary fines and then they  
24 would pursue board review after that.

25 California, theirs was a little different because

1 California, they give a general with disciplinary from what I  
2 gather is they can issue a fine on up to but not exceeding  
3 \$5,000. But theirs was a broad spectrum. So it doesn't have  
4 to be 5,000. It can be less than 5,000. I wasn't able to  
5 get a definite answer if it's maybe a hundred for one  
6 individual or a thousand for another. It was more my  
7 understanding when I spoke to someone in California that it  
8 was depending on the situation that they would assess a  
9 monetary fine depending on the severity of the situation.

10 And the last state we looked at was Utah. And  
11 Utah did something similar. There was a 30-day review. But  
12 what Utah did was they had a six-system criteria, was it a  
13 willful intent. And I take it back real quick. Utah issued  
14 fines to the companies, not the individual. Was there  
15 willful intent, was it over numerous times that this has  
16 occurred. They can either issue a monetary fine, not up to  
17 and exceeding 10,000 or they bring it before the board.

18 From what I understood when I spoke to someone in  
19 Utah. They do not issue many disciplinary actions. They  
20 issue more of a monetary fine in the last year. So that's  
21 kind of our surrounding neighbors what they do.

22 EXECUTIVE DIRECTOR INGRAM: Thank you. So in  
23 looking at the fine structure and taking the information in  
24 to consideration, we found that our citations and fines were  
25 extremely low. And we are finding that there are some

1 entities that repetitively are getting the exact same fine.

2 In the past, I'm not sure, I can't speak on  
3 anything prior to me being here, which has been three years  
4 now, but in the three years that I've been with the board, we  
5 have not yet brought a licensee before the board for  
6 disciplinary action. We have continually written them  
7 monetary citations and those are generally either paid or  
8 appealed. They can appeal to the board. But as far as  
9 disciplinary action, no disciplinary action has been taken.

10 And we're finding that with especially the large  
11 events we're having large numbers of citations that we're  
12 writing. However, the next year it's the exact same amount  
13 and the next year it's the exact same amount. We're not  
14 seeing anything being incurred.

15 So we needed to look at how we issue citations.  
16 And we're not out to punish anyone. We're out to correct  
17 behaviors in performance. That's ultimate what discipline  
18 is, to train to lead to encouragement to lead to  
19 improvements. It doesn't sound very negative that way, does  
20 it? So that's really our approach here. We want to curve  
21 behaviors. We don't want to have to punish anyone.

22 So in looking at the language as written now  
23 under 648.431, Section 1, if a notice of violation is issued,  
24 the board will impose a fine of the following amounts for  
25 violations of the provisions listed. A fine of not more than

1 the following amounts. I'm sorry.

2 So what we are proposing is to strike the "will"  
3 and change it to "may" and strike the "not more than" and set  
4 a specific fine amount for each occurrence. So the new  
5 language would read, if a notice of violation is issued, the  
6 board may impose a fine of the following amounts for  
7 violations of the provisions listed.

8 There are sometimes extenuating circumstances for  
9 why something -- one of the laws or regs is violated and we  
10 want to be able to have that flexibility to work with  
11 individuals and not necessarily have to fine them the first  
12 time. You know, a clerical error or misunderstanding of  
13 requirements or something of that nature. And be able to  
14 say, okay, if you can resolve this in a reasonable amount of  
15 time as agreed upon by board staff and the individual, we're  
16 not going to impose a fine on you. But get it fixed and  
17 don't let this happen again, okay.

18 We also wanted to add the verbiage that in the  
19 case of a second or subsequent violation, the board will take  
20 any disciplinary action authorized pursuant to NRS 648.175  
21 which the board deems appropriate. So at that time if there  
22 are subsequent violations or reoccurring violations, at that  
23 time we would bring the violator, which in our state is the  
24 license holder, whether it be the individual licensee or the  
25 qualifying agent for the agencies, before the board for

1 disciplinary action.

2           When you look at the actual fine structure -- And  
3 I'm going to ask you to fill in the definitions for me, if  
4 you will. We wanted to add a fine for Subsection 3 of NRS  
5 648.070. And can you read that portion for me, please,  
6 Subsection 3 of NRS 648.070.

7           MS. IRIZARRY: I'll just read Subsection 3, which  
8 states, if the applicant is a corporation, A, the application  
9 must be signed and verified by the president, the secretary,  
10 and the treasurer thereof and must specify, one, the name of  
11 the corporation, two, the date and place of its  
12 incorporation, three, the amount of the corporation's  
13 outstanding paid-up capital stock, four, whether this stock  
14 was paid for in cash or property and if in property the  
15 nature and description of the property, five, the name of the  
16 person or persons affiliated with the corporation who  
17 possesses the qualifications required for license under the  
18 chapter.

19           And 3B, the application must be accompanied by a  
20 certified copy of the corporation certificate of  
21 incorporation together with the certification from the  
22 secretary of state that the corporation is in good standing  
23 and if the corporation is a foreign corporation a certificate  
24 from the secretary of state that the corporation is qualified  
25 to do business in this state.

1           3C, the successor to every such officer or  
2 director shall, before entering upon the discharge of his or  
3 her duties, sign and verify a like statement approved in like  
4 manner as the chapter described for individual signatory to  
5 an application and shall transmit the statement to the board.

6           And 3D, in the event of death, resignation, or  
7 removal of such an officer or director, notice of the fact  
8 must be given in writing to the board within ten days of the  
9 death, resignation, or removal. The board shall conduct such  
10 an investigation of the successor pursuant to NRS 648.100 as  
11 it deems necessary to verify the successor's qualifications.

12           EXECUTIVE DIRECTOR INGRAM: So there's a lot in  
13 Section 3, and basically what it boils down to, if there's a  
14 corporation that has a change and a corporate officer or if  
15 it's an LLC, a member, and they fail to notify the board of  
16 that change, or if a qualifying agent breaks service with the  
17 corporation and the corporation fails to notify the board of  
18 that break in service of the qualifying agent or if there is  
19 a death in the qualifying agent, failure to report to us  
20 within that ten days would allow us to impose a fine on that  
21 corporation of \$250. And right now that has happened a few  
22 times and we have no authority to issue a fine or a citation.

23           So we're trying to help, again, hold these  
24 agencies accountable for notifying the board of when a  
25 corporate officer member changes. And a lot of times we



1 don't find that out until there's a change of status where we  
2 have a change in a qualifying agent. That qualifying agent  
3 we start conducting a background and talking with the  
4 corporation and they've been working for, you know, four  
5 months without a qualifying agent.

6 So when they come before the board applying for  
7 their qualifying agent, the board questions them, well, why  
8 didn't you notify us, you know. And again, it's kind of like  
9 a slap on the hand, don't do it again, you know. But we feel  
10 that a fine is necessary in that event. And you know, the  
11 NRS and NAC are there to support us.

12 So let's talk about these one at a time instead  
13 of trying to do all of them and you having to remember what  
14 you wanted to comment on. So with this new proposed citation  
15 of \$250 for failure to follow NRS 648.070 Section 3, are  
16 there any comments or suggestions on this? Are you still  
17 empty in the north?

18 MR. SCHMELZER: We're still here, but there's no  
19 comments.

20 EXECUTIVE DIRECTOR INGRAM: Okay. Great. Okay.  
21 So we'll move on to the second reference here, NRS 648.135.

22 MS. IRIZARRY: Do you want me to read the rule?  
23 648.135 is in regards to insurance. So licensing,  
24 maintenance of insurance or acting as self-insurer of minimum  
25 limits of liability of proof.

1           Subsection 1, before issuing any license or  
2           annual renewal thereof, the board shall require statutory  
3           proof that the applicant or licensee, A, is covered by policy  
4           of insurance for protection against liability to third  
5           persons with limits of liability in the amounts not less than  
6           200,000 written by an insurance company authorized to do  
7           business in this state. Or B, possesses and will continue to  
8           possess sufficient means to act as a self-insured against  
9           that liability.

10           Subsection 2, every licensee shall maintain the  
11           policy of insurance or self-insurance required by this  
12           section. The license of every such licensee is automatically  
13           suspended ten days after receipt by the licensee of notice  
14           from the board that the required insurance is not in effect  
15           unless satisfactory proof of insurance is provided to the  
16           board within that period.

17           And Subsection 3, the proof of insurance or  
18           self-insurance must be in such a form as the board may  
19           require.

20           EXECUTIVE DIRECTOR INGRAM: So this would -- You  
21           can see that the fine amount before if somebody didn't have  
22           active insurance, we would fine them \$50 for the first  
23           offense, a hundred for the second, and 200 for the third.  
24           That seems pretty petty to me. If you've got a company out  
25           there who is doing business without active insurance, I think

1 that's a problem. And I think most of you would agree with  
2 that.

3 In looking at this, we were even wavering if \$500  
4 was enough of a citation to impose on a company that's not  
5 keeping up on their insurance.

6 I'll share with you an e-mail I received just a  
7 couple days ago that the person will remain nameless, but I  
8 had a licensee when I requested and told them that they  
9 hadn't updated their insurance with us and they said, you're  
10 being kind of nitpicky, aren't you. And I kind of took  
11 offense to that. I was, like, if you don't have insurance,  
12 you shouldn't be doing business in Nevada.

13 So I would like to solicit input and comments on  
14 the proposed change of the amount of the citation for 50, a  
15 hundred, and 200 to 500 and specifically if you think that's  
16 enough. Nobody? Go ahead and come forward, please so she  
17 can see you and get you on the record.

18 MR. MOHEN: It should be higher. It should be  
19 double that. For the record, Mr. Mohen.

20 EXECUTIVE DIRECTOR INGRAM: Double that.

21 Any other comments or suggestions?

22 MR. SPRIGGS: Michael Spriggs, S-p-r-i-g-g-s,  
23 Spriggs, Incorporated. I agree with Mr. Mohen that I think  
24 the fees, I think the minimum fine should be at least double  
25 that 500 number. The reason being if you're not covered by

1 workman's comp in the state, what are the fines? Has the  
2 board looked in to what those fines are just for that alone?  
3 You know, if you do not carry workman's comp and the state  
4 finds out, which is very easy to do, which they do regularly,  
5 what are the fines for that? Did the board look in to what  
6 the minimum fines are?

7 MS. IRIZARRY: For the department of insurance,  
8 no.

9 MR. SPRIGGS: I think the minimum is 250 if they  
10 find out you don't carry it. And then it immediately goes on  
11 how long you have not carried it. And it should be something  
12 that should be looked in to because they are very aggressive  
13 about that for workman's comp and unemployment.

14 As far as the liability, a thousand dollar fine  
15 should be the minimum. I mean, realistically. The comments  
16 you made about the e-mail that somebody sent in is  
17 ridiculous. We talk about the increase in our licensure fees  
18 and then with this type of thing for not having insurance,  
19 that should be much more aggressive to gain compliance. Just  
20 like you were talking about earlier, the whole idea isn't  
21 punishment. The whole idea is to get everybody in compliance  
22 with what the regulations are.

23 EXECUTIVE DIRECTOR INGRAM: Thank you.

24 MR. SPRIGGS: Thank you. I appreciate that.

25 EXECUTIVE DIRECTOR INGRAM: The other thing we

1 have to consider in this citation is would we have an  
2 incremental amount for, say, a licensee that failed to  
3 provide the updated proof of insurance but had the insurance  
4 versus a licensee that just didn't update their insurance?  
5 Should that be incremental or should that \$1,000 stand as a  
6 licensee who knows they have to renew every year prior to  
7 June 30th. Should the licensee be required to provide that  
8 updated insurance prior to it expiring as well and have the  
9 same citation apply or should it be incremental? I would  
10 solicit comments on that as well.

11 MR. BAKER: Steve Baker. I would support more  
12 incremental on that. The issues with supplying it, I mean,  
13 you guys are usually on top of it, if something in an e-mail.  
14 I know there's been times where I sent it in but my insurance  
15 company hasn't. So I think that's not nearly as egregious as  
16 not having insurance, and that's where the true punishment  
17 needs to be. If it's one of it just didn't get e-mailed,  
18 e-mail changed carriers, certainly there's a responsibility  
19 to make sure you have that, but it's not of the magnitude of  
20 not having the insurance.

21 EXECUTIVE DIRECTOR INGRAM: Would you have a  
22 suggestion for a fine amount on that?

23 MR. BAKER: I think you would have to look at a  
24 case-by-case basis and start it out at a hundred bucks or  
25 something. If it's just simply that I sent it or the

1 insurance company didn't, I would start at a much lower rate  
2 for that, something to remind me that I need to keep that up  
3 but not something that would be as impacting as the full  
4 failure to provide.

5 EXECUTIVE DIRECTOR INGRAM: Okay. Thank you.

6 Any other comments on that? Quiet group today.  
7 Do we need to take a break? Are we doing okay? All right.  
8 Thank you, Mr. Mohen and Mr. Baker for that input.

9 Next is Subsection 2 of NRS 648.142.

10 MS. IRIZARRY: Okay. NRS 648.142, Subsection 2  
11 states, the license shall at all times be posted in a  
12 conspicuous place in the licensee's principal place of  
13 business in this state.

14 EXECUTIVE DIRECTOR INGRAM: Okay. Now, there was  
15 a recent change in this NRS during the last legis -- I can't  
16 even talk -- legislative session. I want to see the  
17 stenographer write down what I said the first time.  
18 Effective October 1, the portion of this in state was  
19 removed. So it's no longer required in the state, dependant  
20 upon whether the licensee has employees in the state or not.  
21 And we won't get in to that discussion. Just know that if a  
22 licensee does not have employees employed in this state, it  
23 is not the requirement of their license to be hung in the  
24 state anymore.

25 So before, let's see, the fine amount for this

1 was \$25 for the first offense, \$50 for the second offense,  
2 \$75 for the third offense. So if we were to conduct an audit  
3 or walk in to one of your offices and the license is not  
4 clearly displayed, you know, you would have gotten a citation  
5 for \$25. Again, that seems pretty minimal to me. I know  
6 that all of you that are licensed, you have your state  
7 license up there anyway and you have your PILB license there.  
8 We felt that if someone was not displaying their license that  
9 a fine of \$250 would be a reasonable fee to charge for that.  
10 I'd like to solicit comments on that change in the fine  
11 amount. Nothing? Okay.

12 Subsection 3, 4 or 5 of NRS 648.142.

13 MS. IRIZARRY: NRS 648.142, Subsection 3 states  
14 upon the issuance of a license, a pocket card of such size,  
15 design and content may be determined by the board shall be  
16 issued without charge to each licensee. If an individual or  
17 if the licensee is a person other than an individual to his  
18 manager and to each of his officers, director and partners  
19 which card shall be evidence that the licensee is duly  
20 licensed pursuant to this chapter. When any person to whom a  
21 card is issued terminates his or her position, office, or  
22 association with the licensee, the card shall be surrendered  
23 to the licensee and within five days thereafter shall be  
24 mailed or delivered by the licensee to the board for  
25 cancellation.

1           Subsection 4, a licensee shall within 30 days  
2 after such change notify the board of any and all changes of  
3 his or her address, of the name under which the licensee does  
4 business, and any change in its officers, directors, or  
5 partners.

6           Subsection 5, a license issued under this chapter  
7 is not assignable.

8           EXECUTIVE DIRECTOR INGRAM: Okay. Currently the  
9 fine amount was an incremental fine amount of \$50, \$100 and  
10 \$200 for the first and subsequent. Again, we feel that  
11 that's very minor for any type of infraction there and our  
12 suggestion is to change the fine amount to a flat \$250. Are  
13 there any comments or questions or suggestions on that  
14 change? Okay.

15           Moving on to Subsection 1 of NAC 648.530.

16           MS. IRIZARRY: Since we previously spoke about  
17 this, I'm adding the word "vehicles" where we left it out  
18 previously. In NAC 648.530, Subsection 1, states, if an  
19 applicant or licensee intends to use a uniform, badge,  
20 vehicle, or patch in connection with the license activities,  
21 the applicant or licensee must submit to the executive  
22 director for approval with the application or before use of  
23 the uniform, badge, vehicle, or patch a color photograph  
24 which accurately depicts the feature of the uniform, badge,  
25 vehicle, or patch.



1 EXECUTIVE DIRECTOR INGRAM: So currently if an  
2 individual is using a uniform or a badge or patch that hasn't  
3 been approved, the fine would have been 50 for first offense,  
4 100 for second offense, and then 200 for third offense. With  
5 the addition of vehicle in there as well, we felt that if  
6 you've got people out there changing their uniforms and  
7 badges or patches without our knowing, not only are we  
8 responsible for approving all of those in the state, but the  
9 counties and cities are also required to be notified. So we  
10 felt that that infraction could definitely carry a fine of  
11 \$500 for any offense of that.

12 Any comments or questions or suggestions on that?  
13 Okay.

14 The next section, the NAC 648.431 was broken down  
15 in to a lot of different sections, and we felt to just have a  
16 list of the fines without it being broken up was a little bit  
17 easier to follow.

18 So Section 2 currently reads, if a notice of  
19 violation is issued, the board will impose a fine of not more  
20 than the following amounts for the violations listed. We  
21 would strike that section two and just move the additional  
22 violations up under the last Subsection 1 of NAC 648.530. So  
23 it would follow with Subsection 1 of NRS 648.148.

24 MS. IRIZARRY: So NRS 648.148, Subsection 1,  
25 states, each licensee shall, A, maintain a principal place of

1 business in this state; and B, file with the board the  
2 complete address of his or her principal place of business in  
3 this state, including the name and number of the street or if  
4 the street where the business is located is not numbered, the  
5 number of a post office box. The board may require the  
6 filing of other information for the purpose of identifying  
7 such principal place of business.

8 EXECUTIVE DIRECTOR INGRAM: Okay. And again,  
9 with the non-codified changes to NRS, maintaining a principal  
10 place of business, the verbiage "in the state" was stricken  
11 under section 1A and "in the state" was stricken from 1B. So  
12 this would be an individual who fails to maintain their  
13 principal place of business addresses with us. And currently  
14 the fine for that was \$50. And again, we felt that's pretty  
15 miniscule and we feel that that should carry a citation or  
16 fine in the amount of \$250 for failure to update the  
17 principal place of business with the board. Were there any  
18 questions or comments or suggestions on that?

19 Okay. Moving along to Subsection 1 of NRS  
20 648.149.

21 MS. IRIZARRY: 648.149, licensing, branch office,  
22 fees. Subsection 1 states, each licensee shall file in  
23 writing with the board the address of each branch office and  
24 pay to the board an annual fee of 50 for each branch office  
25 registered. Within ten days after the establishment closing

1 or changing of the location of a branch office, the licensee  
2 shall notify the branch -- I'm sorry -- notify the board in  
3 writing of that fact.

4 EXECUTIVE DIRECTOR INGRAM: Okay. And again,  
5 just kind of in line with what we just discussed. If you're  
6 changing an address of a branch office or opening a branch  
7 office, it's better to notify the board. Originally there  
8 was a \$50 fee or fine. And again, keeping in line with the  
9 one previous, we would assess a fine of \$250 for that.

10 Any questions, comments, suggestions? Still  
11 lonely in the north? Okay.

12 The next fine under NAC 648.380, report of  
13 intern's progress. This relates specifically to a polygraph  
14 examiner.

15 MS. IRIZARRY: NAC 648.380, report of intern's  
16 progress. Subsection 1, each supervising examiner shall  
17 prepare and submit to the board quarterly reports of the  
18 progress of the intern during the first year of internship.  
19 The quarterly report must be made on the form provided by the  
20 board. Each quarterly report must be delivered to the  
21 executive director no later than two weeks before the  
22 regularly scheduled meeting of the board for the quarter in  
23 which the report is due.

24 Subsection 2, if the board requests the  
25 supervising examiner to do so, he or she shall submit

1 semiannual reports of the intern's progress during the  
2 remaining two years of the internship.

3 And Subsection 3, upon the board's request, the  
4 supervising examiner and the intern shall furnish it with  
5 charts, logs, and other documents showing the polygraphic  
6 examinations performed by the intern. The board will  
7 maintain in strict confidentiality the identities of the  
8 persons examined. All such documents furnished to the board  
9 will be returned to the supervising examiner.

10 EXECUTIVE DIRECTOR INGRAM: Again, this is a  
11 regulation that originally carried a citation or fine in the  
12 amount of \$25 for failure to follow these guidelines. We  
13 felt that that was way too low for the requirements  
14 established here in NAC.

15 I can tell you right now we don't have any  
16 interns currently in the process in the State of Nevada.  
17 However, I feel that the fine in the amount of \$25 is way too  
18 low if a polygraph examiner one is supervising an intern. We  
19 changed that amount from \$25 to a hundred dollars.

20 Any questions, comments, or suggestions on that  
21 citation change? Okay.

22 Next, 648.525.

23 MS. IRIZARRY: NAC 648.525, use of license number  
24 in advertisements and written communication regarding  
25 business. Subsection 1, in addition to the requirements set

1       forth in NRS 648.148, a licensee must include his or her  
2       state-issued license number in every advertisement and in any  
3       written communication which refers to the licensee's business  
4       or his or her ability to conduct business in this state.

5               Subsection 2, as used in this section,  
6       advertisement and communication include without limitation,  
7       A, yellow page listings or advertisements; B, brochures; C,  
8       business cards; D, letterhead or other official stationery; E  
9       classified ads; or F, television, radio, vehicle or internet  
10      advertisement.

11             EXECUTIVE DIRECTOR INGRAM: The current fine for  
12      lack of use for a license number was a hundred dollars.  
13      Again, we felt that that needed to be increased to a flat  
14      fine of \$250. I'd like to solicit comments, suggestions,  
15      questions. Do you feel we need to add under Section 2,  
16      Subsection 2, an additional requirement for e-mails specific  
17      or do you feel that that is covered under the other listings  
18      there? By the State of Nevada using the subsection or in  
19      this section advertisement and communication include without  
20      limitation, do you think e-mails fall in there or should we  
21      specifically add e-mails or e-mail signatures in there? Any  
22      comments, questions?

23             We did leave Section 2, changing Subsection 3 to  
24      Subsection 2, if a notice of violation is issued, the  
25      board -- it currently states, the board will impose a fine

1 upon licensee calculated per employee not more than amounts  
2 for violations of the provisions listed. Suggested language  
3 would read, if a notice of violation is issued, the board, we  
4 would change the word "will" to "may" impose a fine upon a  
5 licensee calculated per employee, striking not more than, the  
6 following amount for violation of the provisions listed. And  
7 these were incremental fines as well, changing to a flat fine  
8 amount. And we've added additional subsections there. But  
9 we'll start with the current Subsection 2 of NRS 648.060.

10 MS. IRIZARRY: So NRS 648.060, license or  
11 registration required, employment of other persons by  
12 licensee. Subsection 2 reads, no person may be employed by a  
13 licensee unless the person is registered pursuant to this  
14 chapter. The provisions of this subsection do not apply to a  
15 person licensed pursuant to this chapter.

16 EXECUTIVE DIRECTOR INGRAM: Okay. So in  
17 Subsection 2 this is what we discussed early on prior to  
18 getting in to the specifics and the states that Investigator  
19 Irizarry had referenced in fines and citation amounts. If an  
20 individual is working for a licensed person, they are  
21 required to have a registration card with the board pursuant  
22 to that chapter. So if we found that an individual was  
23 working for a licensee who did not have a work card of any  
24 kind, the citation amount would change from \$50 for first  
25 offense, \$75 for second offense, and a hundred dollars for

1 the third offense and the flat fine would be \$1,000. Again,  
2 this is an individual that is being employed by a licensee  
3 that has absolutely no work card approval through the board.

4 Are there any comments, suggestions, or questions  
5 on that?

6 MR. PURVES: Jay Purves, Contemporary Services  
7 Corporation.

8 EXECUTIVE DIRECTOR INGRAM: Spell your last name.

9 MR. PURVES: P-u-r-v-e-s. With us being a  
10 national company, there are times where we'll decide to  
11 transfer or move an employee that's already a part of our  
12 company to Nevada. So with that, the way it's written right  
13 now, I couldn't do that unless I had to get a guard card  
14 first. And I don't think that's right. I think we should be  
15 able to move the person here and then give them the guard  
16 card. But he's already an employee of ours.

17 EXECUTIVE DIRECTOR INGRAM: Well, I think what  
18 this provision is related to is that you would not have a  
19 person unable to work -- Let me read the verbiage here again.  
20 Chapter 648 relates specifically to the State of Nevada. So  
21 if you've got an employee that's employed out of state and  
22 only works out of state, they would not fall under the  
23 provisions of 648. So they would not be required to have a  
24 work card at that time. The minute that you wish to employ  
25 them here in Nevada, prior to them starting employment, they

1 would have to have a work card.

2 MR. PURVES: But why tie our hands? If I want to  
3 bring another manager to the state to work with me on a  
4 full-time basis, why tie my hand? Why don't I have a grace  
5 period to get that person a work card once we move him? He's  
6 been an employee of ours for ten to 15 years already. So why  
7 am I being handcuffed that he can't work here until he gets a  
8 work card first? The way it's written, you know -- I mean, I  
9 understand if it's somebody that's coming in and they're  
10 going to be a security guard and you're going to use them to  
11 work events or at a 24-hour site or what not.

12 But, you know, I'm thinking about outside the box  
13 dealing with employees that we may as we continue to grow  
14 bring in new leadership or management here.

15 EXECUTIVE DIRECTOR INGRAM: The board has a  
16 responsibility to the citizens of Nevada to ensure a safe and  
17 secure environment. And our mission is to protect the  
18 citizens. If an individual comes in to the State of Nevada  
19 to work for a licensee, it's our responsibility as the board  
20 to conduct a background investigation and ensure that that  
21 person meets the parameters under 648.1493. If we allow  
22 somebody to work in the state without conducting a  
23 background, we could be putting the citizens of Nevada in a  
24 situation where their rights and their health may be violated  
25 by an individual.



1           The State of Nevada has a lot stricter guidelines  
2 for who can get a work card to work in Nevada. Specifically  
3 states that individuals with felonies or firearms convictions  
4 can't have a work card here. And in other states that's  
5 allowed. Specifically in Nevada -- or in to California I can  
6 relate it to that if somebody has been convicted of a felony  
7 and a firearms charge, they can still get a guard card and  
8 work there. In Nevada they can't.

9           So if we haven't conducted our backgrounds in  
10 line with the state laws and regulations, then we are  
11 potentially not protecting the citizens of Nevada and we're  
12 not carrying out the mission of our agency.

13           So that would be my rebuttal to your request. So  
14 they would be required to have a registered work card here  
15 with us prior to performing any duties here in Nevada. Now,  
16 they can move here, you can relocate them, but the minute you  
17 start training them in Nevada or paying them on payroll for  
18 Nevada, that's going to require a registered work card.

19           MR. PURVES: So I can move them here, pay the  
20 expenses of moving them here to be a resident of Nevada, but  
21 they're already an employee of ours coming here, so if  
22 they're just in the office they have to have a work card?

23           EXECUTIVE DIRECTOR INGRAM: Absolutely. So if  
24 you know you're going to relocate an employee here, have them  
25 apply on line. They don't have to be present in the state to

1 apply. Get their registered work card. Turnaround right now  
2 on our registered work card non-expedited is two weeks.

3 MS. IRIZARRY: Week and a half to two weeks.

4 EXECUTIVE DIRECTOR INGRAM: A week and a half to  
5 two weeks. And if their background is squeaky clean, it's  
6 even faster than that. So we have turnaround of anywhere  
7 from -- I mean, right now for this time of year, we don't  
8 have 2,000 applications coming in every month. Our  
9 turnaround is anywhere from one day to two weeks, which I  
10 believe is pretty reasonable.

11 So if they're going to be relocating, they're  
12 going to have at least a two-week notice to be able to move  
13 to Nevada. That should be more than an adequate amount of  
14 time for them to gain their work card or at least the  
15 provisional status with us to be able to come to Nevada and  
16 start working. And if you have any issues with that and it's  
17 taking too long, all you have to do is contact board staff  
18 and we'll be happy to look in to see what's taking so long.

19 Most of the delays in the work card are the  
20 applicant either provided false information on an  
21 application, failure to report arrests and convictions. Most  
22 of the arrests and convictions are for misdemeanors don't  
23 automatically disqualify them. But failure to put it on the  
24 application is an automatic disqualifier for not completing  
25 the application.

1 Other things that delay the work card  
2 applications are those individuals with criminal history  
3 background that when we run scope DMV or get the fingerprints  
4 back, it's showing no disposition. So they're required to  
5 provide us documentation to show what the final disposition  
6 is. Those are the main delays right now.

7 MR. PURVES: I understand. I mean, I get the  
8 whole work card thing. I'm just thinking about a manager  
9 coming in to town that's been working for the company  
10 nationwide somewhere in another state and what not holds  
11 another license somewhere else. So before I could even make  
12 a decision to bring them here, we have to get him to apply  
13 for his work card first?

14 EXECUTIVE DIRECTOR INGRAM: Correct. Thank you.  
15 Any other questions, comments or concerns?  
16 Subsection 2 of NRS 648.140.

17 MS. IRIZARRY: NRS 648.140, Subsection 2, states  
18 except for polygraph examiners and interns, a licensee may  
19 employ in connection with his or her business as many persons  
20 registered pursuant to this chapter as may be necessary. But  
21 at all times, every licensee, A, shall ensure that each  
22 registered person employed in this state by the licensee is  
23 supervised by a person who is physically present in this  
24 state, and B, is accountable for good conduct of every person  
25 employed by the licensee in connection with his or her

1 business.

2 EXECUTIVE DIRECTOR INGRAM: Recent changes to NRS  
3 that should be in effect October 1, that again is not really  
4 available, has changed Section 2A where it states, shall  
5 ensure that each registered person employed in the state by  
6 the license -- is supervised by the licensee who is  
7 physically present in the state. It now says, by the  
8 licensee or qualifying agent who is physically present in  
9 this state.

10 When this revision passed in the 2013 session, it  
11 didn't come out quite the way it was proposed, so it says a  
12 licensee, so which allowed any licensee to supervise staff or  
13 a corporation in this state. It now requires the licensee if  
14 it's an individual, or the qualifying agent for the  
15 corporation to supervise the employee of the state, which  
16 would require a company with a large amount of people to have  
17 their qualifying agent present to oversee operations. So I  
18 just wanted to make that clear prior to going forward with  
19 the citations.

20 So in this respect, if we find that a company  
21 does not have a qualifying agent present in the state and  
22 that they've provided as false information with a state  
23 address but they're not physically here overseeing, that  
24 would carry a fine of a thousand dollars, again for providing  
25 fraudulent information to the board that they have a QA

1 present here.

2 Any questions, comments, concerns about that  
3 citation? Yes.

4 MR. BAKER: Steve Baker. Just consider adding  
5 and/or a review for that. If it's an issue of moral  
6 turpitude and involves a document, I think the board should  
7 hear it for the fine.

8 EXECUTIVE DIRECTOR INGRAM: Okay. Any questions  
9 or comments on that?

10 All right. The next section is new to add some  
11 additional fines or citations or authority to issue a  
12 citation or fine. Subsection 3 of NRS 648.140.

13 MS. IRIZARRY: NRS 648.140, Subsection 3, states,  
14 each licensee shall, A, maintain at a location within the  
15 state records related to the employment, compensation,  
16 licensure, and registration of employees; B, furnish the  
17 board with the information requested by it concerning all  
18 employees registered pursuant to this chapter, except  
19 clerical personnel; and C, notify the board within three days  
20 after such employee begins their employment.

21 EXECUTIVE DIRECTOR INGRAM: And for the record,  
22 again, recent changes to NRS 648.140 under Section 3B where  
23 it states except clerical personnel, that was stricken. So  
24 it requires all employees registered.

25 And under Section 3, this would again fall in

1 line with the audit information we provided earlier. If  
2 we're coming to a location and there are not employee records  
3 on site here in Nevada, again, it would kind of relate to  
4 maybe a qualifying agent that's not physically present in the  
5 state, not having an office here under the requirements, that  
6 we would issue a citation for \$100 for that violation.

7 Are there any questions, comments, or concerns?

8 MS. IRIZARRY: That would also include the  
9 on-line roster.

10 EXECUTIVE DIRECTOR INGRAM: Correct. Thank you.  
11 Moving right along. Subsection 2 of NAC  
12 648.3385.

13 MS. IRIZARRY: There's actually a change to that.  
14 It actually should read Subsection 1 of NAC 648.3385. So  
15 Subsection 1 is one of the ones that we are changing, so it  
16 would read, a licensee shall not employ a person unless the  
17 person employed by the licensee is provisionally registered  
18 or registered. A licensee shall immediately terminate the  
19 employment of a person employed by a licensee if the board  
20 notifies this licensee that the board has denied, suspended,  
21 or revoked the provisional registration or registration of  
22 the person.

23 1A, the registered employee must have a  
24 provisional registration or registered work card on their  
25 person while performing his or her duties. 1B, the

1 registered employee must also produce it upon request of any  
2 peace officer representative of the board or the public.

3 EXECUTIVE DIRECTOR INGRAM: Taking in to  
4 consideration Mr. Baker's comments on the public to be  
5 considered in changing the verbiage here as well. Again,  
6 this is just giving specific authority and establishing a  
7 specific fine for that. And right now the fine for that is  
8 \$100. And again, having people working events without their  
9 card on them and especially those that have absolutely no  
10 idea as well, we feel that that should carry a fine in the  
11 amount of \$500 per person. And if they fail to produce it,  
12 that would be the same.

13 There are times when we have to -- we're asking  
14 for the work card to establish whether they can be there or  
15 not. They're refusing to show us. We then have to call a  
16 supervisor of that agency to come down and tell the employee  
17 to show us the work card.

18 So we want to just set the record straight that  
19 they need to provide it to us when requested. It takes our  
20 time or time away from the administrators and the supervisors  
21 of the event if they have to be called in to demand their  
22 employee provide that.

23 Any questions, comments, concerns on the change  
24 to Subsection 1 of NAC 648.3385 and the amount of \$500?

25 MR. BAKER: Is that fine on the officer, the

1 company, or both?

2 EXECUTIVE DIRECTOR INGRAM: Right now all of our  
3 fines are issued to the company, the license holder, or the  
4 qualifying agent of the company.

5 MR. PURVES: Jay Purves, Contemporary Services  
6 again. Okay. So you have a cardholder, they go through the  
7 state, they pay the fees to become the cardholder; right?

8 EXECUTIVE DIRECTOR INGRAM: For clarification,  
9 the cardholder, are you talking about the work card holder?

10 MR. PURVES: Yes, the work card holder. So the  
11 work card holder goes to the state, they pay their fees.  
12 They now have a licensed card in the State of Nevada. The  
13 state is not allowed to give the companies any information on  
14 that work card. So let's say a work card person, for  
15 instance, if you deny someone, they can't work, you can't  
16 tell the company what that reason is for. If you tell the  
17 company, you have to terminate that person, you can't tell us  
18 what that's for. So you are in direct contact with that  
19 person with that work card.

20 Now, why should the company be held responsible?  
21 We go through the process of hiring a work card person. We  
22 find out they do have a legal work card. We bring them -- We  
23 hire them. We provide them an opportunity to work. They  
24 come to the event to work. You do your inspection. You find  
25 the guy does not have his work card. Why should the company



1 be the one who's eating that fine when it should be the  
2 person who is the work card holder? If I have a driver's  
3 license in the State of Nevada, if I get pulled over, I get a  
4 fine or a ticket. I have to pay the ticket for speeding.  
5 This person is licensed through the State of Nevada. We hire  
6 them because the State of Nevada says we can work this  
7 person. They know the rules or the regulations of having  
8 their work card on them. They come to do an event. Maybe we  
9 missed that person that day. Why should we be held -- Why  
10 aren't they the ones that are getting the fines from the  
11 state just like if you were getting a speeding ticket with  
12 your driver's license?

13 EXECUTIVE DIRECTOR INGRAM: And that's a good  
14 question. And the answer would be that the agency, the  
15 qualifying agent, is responsible for the conduct and  
16 professionalism of every employee in the state. Licensees  
17 have a roster of the individuals they're hiring for an event.  
18 It's the licensee or the qualifying agency's responsibility  
19 to make sure that their work card is still active in the  
20 system pursuant to other laws and regs that are not being  
21 reviewed today. So when you're conducting a muster or your  
22 check-ins, which all of your licensees working the large  
23 events do, it's the responsibility of the staff that you've  
24 designated to send people to a post to verify that they have  
25 a work card on them and to make sure that they maintain their

1 work card on them.

2 What we have seen historically is that when they  
3 go through your check-in -- You okay, and I'm not saying you  
4 specifically. I'm talking licensees in general, okay. When  
5 they report in with the licensee at check-in, they have their  
6 card on them or you don't send them to post; correct?

7 MR. PURVES: Correct.

8 EXECUTIVE DIRECTOR INGRAM: And then what  
9 happens? They go to their car and they put their bag and  
10 their ID in their car and then they go to post. You don't  
11 have specific control over that employee at that time, I  
12 understand that. But it's your responsibility to communicate  
13 to that employee, I see your card right now, make sure you  
14 keep this card on your person at all times.

15 Then let's say they don't have a card and we  
16 issue a citation, you can enter in to any kind of a  
17 contractual agreement with that employee that if we're issued  
18 a fine for this, you're to be responsible for the fine.  
19 That's between you and your employees. We don't regulate  
20 that. What we regulate are licensees and work card  
21 employees.

22 Now, there is -- there are some new revisions  
23 that were added during the legislative session that allow us  
24 now to bring a work card employee before the board for  
25 possible disciplinary action. So while the fine would be

1 issued to you as the supervisor, the person responsible for  
2 the good conduct and professionalism of your staff making  
3 sure they're following the laws and regulations under you  
4 committee can then also bring that employee before the board  
5 for review, possible probation, suspension, or revocation of  
6 the work card at well. We did not have that authority  
7 before. So that is something that we could do as well.

8 MR. PURVES: Well, I just feel that it's not --  
9 even though we have processes in place and even like you've  
10 seen at Rock in Rio where five of our employees went to their  
11 car or went and put their stuff in their locker and they  
12 didn't have it on them, when they went through the check-in  
13 process, we did all of the things that he just said. We made  
14 sure they had their card. But from the time they went and  
15 then went there, they don't have their card when you come  
16 around. But the company is the one who gets fined even  
17 though we did what we were supposed to do and the employee  
18 didn't.

19 EXECUTIVE DIRECTOR INGRAM: And I think that's  
20 the same with any company or any agency. If one of the staff  
21 were to report to me as the executive director and violate  
22 some type of law or violate somebody's civil rights, I'm  
23 going to discipline the employee, but who is ultimately  
24 responsible for that? I am as the executive director of the  
25 agency; right? So I don't think it's any different than any

1 other company or agency that the top person is always  
2 responsible for the conduct of their staff.

3 So I don't see that as any different from any  
4 other state agency or company in the way they do business. I  
5 mean, yes, I'm going to have to discipline my staff. But  
6 when the complaint goes to the governor, the governor is not  
7 going to call my staff member. They're going to call me,  
8 right, and I'm going to responsible for the governor to make  
9 sure that I've handled that. If I don't, then I'm not going  
10 to have a job.

11 MR. PURVES: Well, if we're all about behavior  
12 and performance, I think that is a little stiff of a fine for  
13 the company to take when there is opportunity for error on  
14 the employee card and we're taking that responsibility for  
15 that employee. I think we go through the process, we check  
16 their cards when they come to sign in. However they get to  
17 that post between the sign-in process and they don't have the  
18 card when you come around -- I mean, you've come around where  
19 you've seen that they had their card at sign-in and then when  
20 you went and checked again while they were at post they  
21 didn't have the card.

22 EXECUTIVE DIRECTOR INGRAM: What would be your  
23 suggestion of a fine amount?

24 MR. PURVES: Well, if it's going to also come  
25 back to the company, then \$50, or leave it at a hundred

1 dollars where it's at right now. I mean, I just don't feel  
2 it's right. I think that some point the state issues that  
3 card to that employee, gives them the right to work, that  
4 fine -- of all of your fines, this is the one fine that  
5 should be -- that employee should be brought before the board  
6 or that employee should be the one getting the fine. It  
7 shouldn't come to us.

8           So when we go, we take money out of their  
9 paycheck for that fine, you open up a can of worms for us as  
10 well when you say, oh, no, the fine is given to the company.  
11 Now I've got issues with the Nevada State Department of Labor  
12 because the employee is, like, hey, you shouldn't be taking  
13 that from us. But they're the ones who made the mistake. It  
14 wasn't the company. It was the employee who made the  
15 mistake.

16           EXECUTIVE DIRECTOR INGRAM: I understand. Would  
17 you be willing to put these suggestions in writing for me as  
18 well?

19           MR. PURVES: Absolutely.

20           EXECUTIVE DIRECTOR INGRAM: I appreciate that.  
21 And I make note here that your statement is to either leave  
22 the fine at a hundred dollars or even reduce it to 50.

23           MR. PURVES: Sure. If that is always going to be  
24 that error for that amount of fine because that is one that  
25 we cannot control, that's the employee themselves that has

1 control over that. We don't know if they lose their card.  
2 You know, they lose their card and they're supposed to come  
3 back to you to pay \$25 to get another card, right. They come  
4 to the event and they don't have the card, we send them home.  
5 You know, I can't control the errors of an employee.

6 EXECUTIVE DIRECTOR INGRAM: And again, another  
7 suggestion would be, is that a person who knows that, is that  
8 a person you're going to employ again? So we'll take this in  
9 to consideration. If you'll put that in written format for  
10 me or it can be e-mail and we'll consider that as well.  
11 Thank you very much. Did you have anything else?

12 MS. IRIZARRY: I just had a question. If the law  
13 was to change and it would be reflected on to the individual,  
14 what would you assess that fine amount to be if we were to  
15 fine the individual, not the company?

16 MR. PURVES: A hundred dollars.

17 MS. IRIZARRY: I think our reason for justifying  
18 why a thousand to 500 is we were discussing this, the thought  
19 was someone not having a card at all, a thousand dollars, you  
20 would have the card. So for us to go on site and you don't  
21 have a card to produce to us, there is no way for us to look  
22 it up at that exact moment. We can't. So how do we know  
23 somebody is supposed to be on post or not? That was the  
24 reason for justifying it. We won't give you the thousand  
25 dollar fine, we'll cut it in half. Simply stiff enough so

1 that it would be they need to be on post with their cards.  
2 To set a precedent, it was our justification.

3 MR. PURVES: If you do a fine of that magnitude  
4 to the employees, a lot of these guys, they don't make that  
5 kind of money to pay that type of fine. So they'll never  
6 work as a security guard again. So maybe you bring them  
7 before the board and you discipline them before the board  
8 like they do in other states. So you know, you have a fine  
9 and/or however you guys work it out amongst yourselves. But  
10 it shouldn't be the company for an employee error for that.  
11 I mean, the other fines, I'm okay with all the increases  
12 you're doing, that's great. But that one directly, even  
13 though if I go through all the processes of recruiting,  
14 hiring, and training and checking, you're always going to  
15 have that human error of people that they have it or don't  
16 have and/or they lost it between sign-in to the post, you  
17 know. So why do I get punished for that? And then it  
18 impedes the event, as you know, a lot of major events in  
19 town.

20 EXECUTIVE DIRECTOR INGRAM: Sure.

21 MR. PURVES: So that's all I have to stay.

22 EXECUTIVE DIRECTOR INGRAM: Great. Thank you for  
23 your time.

24 Any other comments, questions, concerns?

25 MS. MOHEN: Linda Mohen, M-o-h-e-n. And excuse

1 me if I'm being ignorant, but I thought security guards had  
2 to wear a lariat with their identification there in plain  
3 view.

4 EXECUTIVE DIRECTOR INGRAM: No, there is no  
5 requirement for that.

6 MS. MOHEN: Well, maybe there should be and then  
7 that guy wouldn't have to keep paying these fines. Maybe if  
8 these people are wearing this identification where it could  
9 be seen, they're not going to lose it. I see a lot of people  
10 in business that wear these lariats. We work in the courts.  
11 The court workers, they have to to get in and out of the  
12 building. Why not, instead of worrying about the fines,  
13 provide your employees with that type of ID? You're not  
14 going to lose something that's hanging around your neck with  
15 your picture and your ID hanging on it. Why would you put it  
16 in your pocket? Just a suggestion.

17 EXECUTIVE DIRECTOR INGRAM: Great. Thank you.  
18 Would you be willing to put that in writing?

19 MS. MOHEN: Absolutely.

20 EXECUTIVE DIRECTOR INGRAM: Thank you. That way  
21 we can accurately capture everything. Mr. Sammut, you had a  
22 question.

23 MR. SAMMUT: Steve Sammut, once again, Rock  
24 Security. I have to agree with Mr. Purves. The amount of  
25 the fine is exorbitant considering the margin of error that



1 you're going to have when you have minimum wage employees in  
2 mass. We went through the check-in process at Life is  
3 Beautiful. We checked everybody's cards to make sure  
4 everybody had their cards when they went through sign-in.  
5 And lo and behold, I have a citation sitting on my desk since  
6 yesterday for six individuals that were located without their  
7 cards on them on post. We checked them at the post or at  
8 sign-in. Somewhere between sign-in and their post, which was  
9 a block away, their guard card magically disappeared.

10 As far as wearing the cards, that's not a good  
11 option because the cards end up of falling off of them.  
12 However, in the Las Vegas Convention and Visitors Authority  
13 requires them to wear their guard cards on their person the  
14 whole time.

15 I think it should be a fine against the officer.  
16 And if they're going to try and charge \$500, they'll never  
17 pay it. It will never happen. If we get the bill for \$500  
18 and we can enter to an agreement with the officers in advance  
19 before they even become an employee that they're going to be  
20 subject to that fine through us through payroll deduction,  
21 most of them only come out and work two or three days at an  
22 event, they walk away with a \$250 paycheck. We're not going  
23 to recoup our money. And they'll just go away and go to  
24 another company and work for them. My people work for CSC.  
25 CSC people work for me. We have people that work for Pro

1 Tech. Everybody, we use the same guards, all of us. So when  
2 we're doing these large events, we use the same employee  
3 base.

4 So I suggest that either, as Jay said, the fine  
5 needs to be smaller than \$500.

6 EXECUTIVE DIRECTOR INGRAM: And what would be  
7 your suggestion?

8 MR. SAMMUT: I think you ought to keep it where  
9 it is.

10 EXECUTIVE DIRECTOR INGRAM: A hundred dollars?

11 MR. SAMMUT: Yeah. Or give it to the guard.  
12 Cite them just like if I'm driving without a driver's license  
13 I get the ticket, you know. If you're working as a security  
14 officer without your license on you, you get the ticket.  
15 That's the way it should be.

16 EXECUTIVE DIRECTOR INGRAM: Great. Thank you.  
17 Just a little bit of input there, one of the things that  
18 historically happens is -- And I personally experienced this  
19 at the Life is Beautiful event where no sooner did we leave  
20 the check-in, that the first person I stopped and asked for  
21 an ID card, a work card, was a supervisor who didn't have it  
22 on them. And they had just told me that they checked guard  
23 cards for every employee that they're putting on post.

24 Additionally, one of the individuals that was  
25 found to have no work card and no driver's license was

1 told -- told their supervisor they didn't have their ID. And  
2 the supervisor told them that's okay, go ahead and go on  
3 post. So I think it's part of the licensee responsibility or  
4 the QA if it's a corporation, is to train your supervisory  
5 staff to do the right thing as well. Because your  
6 supervisors are the ones that you're delegating this  
7 authority to. And if they're willing to break the law and  
8 not follow the rules and regulations, it's easy to see why  
9 staff would not because they're the role models for the  
10 agency, just to put that on record.

11 Is there any other comments, questions, concerns  
12 on the Subsection 1 citation about \$500 for NAC 648.3385?

13 MR. BAKER: I don't see that listed on the --

14 MS. IRIZARRY: I had stated making a correction,  
15 it says Subsection 2, but it should be Subsection 1.

16 EXECUTIVE DIRECTOR INGRAM: And that was due to  
17 the recent language change. Sorry. Mr. Baker, thanks for  
18 pointing that out. I confuse myself sometimes.

19 Subsection 5 of NAC 648.3385.

20 MS. IRIZARRY: So Subsection 5 states, each  
21 licensee shall maintain a passport-sized photograph of each  
22 person employed by the licensee. The licensee shall retain  
23 the photograph for not less than five years after the last  
24 date of which the person is employed by the licensee. The  
25 photograph may be in the form of a photograph or may be

1       digitally stored, but the photograph must be capable of being  
2       produced and available at the request of the board.

3               EXECUTIVE DIRECTOR INGRAM: There is currently  
4       not a citation amount established in NAC, so the addition of  
5       this would carry a \$50 citation or fine for not having that  
6       picture. There are times that board staff is contacted by  
7       local law enforcement. For example, if there is a use of  
8       force or a discharge of a firearm, law enforcement will  
9       contact the board and say, number one, is this person  
10      registered, number two, have they gone through all the  
11      qualifications, and number three, do you have a picture that  
12      you can provide law enforcement, so that they cannot identify  
13      that that in fact is the person on the work card that they  
14      have an investigation going with.

15              So again, if we don't have that available, a lot  
16      of times the work card, again, five years is a long time for  
17      a work card. People change. One day I had hair. The next  
18      day I was bald, okay, for example. So the licensees have an  
19      updated photograph in their files and records should we need  
20      it would be something that we feel would be appropriate. And  
21      also that is part of the audit function.

22              Mr. Baker.

23              MR. BAKER: Just a question. Would a photocopy  
24      of a current work card be valid?

25              EXECUTIVE DIRECTOR INGRAM: As long as you can

1 see it. You know, there's some photocopies that --

2 MR. BAKER: Would a legible copy?

3 EXECUTIVE DIRECTOR INGRAM: There you go.

4 Absolutely.

5 MR. BAKER: So we should just put that in there  
6 that in their file we have a legible copy of their -- that  
7 shows clearly the photograph.

8 EXECUTIVE DIRECTOR INGRAM: Okay. That's a good  
9 suggestion. So we'll add that in to the audit, a legible  
10 copy.

11 MR. BAKER: Which also ties in with the section  
12 above where question --

13 (The court reporter interrupts)

14 MR. BAKER: What I was saying is it also just  
15 ties in with the preceding item in that statute under point  
16 two that requires a licensee to check the status of the  
17 employee's work card at the time of hire, which basically  
18 means we have to log in to GLSuite and print out that page  
19 and show that it's not suspended and valid at the time of  
20 hire. So those two things. And it also ties in to your  
21 audit.

22 EXECUTIVE DIRECTOR INGRAM: Again, can you add  
23 that to your --

24 MR. BAKER: Sure.

25 EXECUTIVE DIRECTOR INGRAM: Thank you. I thought

1 you said you weren't going to comment anymore.

2 Okay. The next section, NAC 648.343, if you'll  
3 just go ahead and read that in to the record.

4 MS. IRIZARRY: NAC 648.343, what we're mainly  
5 speaking about there is Subsection 4 where it talks about the  
6 failure of the licensee to furnish the information necessary  
7 to conduct an audit is grounds for fine not to exceed 5,000  
8 and for the licensee to be brought before the board for  
9 possible disciplinary action.

10 EXECUTIVE DIRECTOR INGRAM: So this just goes in  
11 line with what the proposed language was for NAC 648.343 on  
12 the audit. And again, putting in there not more than \$5,000.  
13 And again, that would be based on what the person is failing  
14 to provide us. I don't see that that citation would ever be  
15 issued. I would hope not. Most licensees when we contact,  
16 they provide us everything we need. But we just want to be  
17 prepared for that one person that says, I'm not going to show  
18 you anything, you know.

19 Any questions, comments, or concerns about that?

20 All right. Subsection 3 of NAC 648.350.

21 MS. IRIZARRY: You skipped one.

22 EXECUTIVE DIRECTOR INGRAM: Did I?

23 MS. IRIZARRY: NAC 648.345.

24 EXECUTIVE DIRECTOR INGRAM: Okay.

25 MS. IRIZARRY: So this is a long NAC, so I'll

1 read Subsection 1 which pretty much sums it up. A licensee  
2 or an employee who is registered pursuant to NRS 648.1493 may  
3 not carry any firearm while performing the duties for the  
4 type of business for which he or she is licensed or employed  
5 unless the licensee or employee, A, is certified by the board  
6 as a firearms instructor pursuant to Subsection 2 or has  
7 successfully completed and received certification from a  
8 course of training approved by the board in carrying,  
9 handling, and using firearms safely. So this subsection  
10 mainly talks about someone who is working without having gone  
11 through the firearms required course.

12 EXECUTIVE DIRECTOR INGRAM: So if we have an  
13 individual out there that's been put in to an armed post with  
14 an unarmed work card and they're working that post armed and  
15 they haven't followed the provisions of that regulation, that  
16 we feel that should be a pretty hefty fine. They haven't  
17 been certified to carry a firearm. They haven't been  
18 trained. We're not aware that they're out there working  
19 armed. Law enforcement had a lot to say about this as well,  
20 as I'm sure you can imagine.

21 We felt that it should carry an automatic \$1500  
22 citation with board review. And again, you know, board  
23 review now having the ability to put a -- place on probation,  
24 revoke, or suspend an individual. Yes, this fine would be  
25 assessed to the licensee, because, again, as a licensee

1 you're responsible for verifying whether somebody should be  
2 working armed or not.

3 Any questions, comments, suggestions on this?

4 MR. BAKER: Steve Baker. Just for clarification,  
5 this particular fine is directed only at instances where the  
6 licensee knew that the person was working armed? It wasn't  
7 when -- Is it a situation where an employee brings a firearm  
8 that they're not authorized to have?

9 EXECUTIVE DIRECTOR INGRAM: That would be  
10 correct.

11 MR. BAKER: And I believe that the fine on this  
12 should actually be 2500. The issues that I'm familiar with  
13 in the past have actually laid out what the profit margin is  
14 and what the risk is and we need to make that substantial.  
15 The issue of firearms and certification and proof of training  
16 are not just detrimental to that licensee and their business  
17 but to the rest of us as well. So I seriously think we  
18 should consider a substantial fine and board review of 2500.  
19 Thank you.

20 EXECUTIVE DIRECTOR INGRAM: Any questions,  
21 comments, or concerns about that?

22 Thank you. Subsection 3 of NAC 648.350. Last  
23 but not least.

24 MS. IRIZARRY: NAC 648.350, Subsection 3, reads,  
25 a person who has been certified pursuant to this section and



1 who wishes to maintain his or her certification must  
2 successfully qualify for certification every six months on  
3 the day -- on any day during his or her designated --  
4 designated qualification. The designated qualification  
5 months are determined by the month of the person's initial  
6 qualification and will not change. If after a person's  
7 initial qualification, the person successfully qualifies for  
8 certification or for a different type or caliber of firearm  
9 during a month that is not that of his or her designated  
10 qualification months, the person must successfully qualify  
11 again during his or her next designated qualification month,  
12 even if the period between such qualification --  
13 qualifications is less than six months. The qualification  
14 cycle will be as follows. And it goes on in to the months  
15 below.

16 EXECUTIVE DIRECTOR INGRAM: So this fine would be  
17 assessed in the amount of \$500 for an individual that fails  
18 to make the second qualification. We're not talking about if  
19 they miss their first six-month qualification, because there  
20 is verbiage in there that says, okay, well, if they miss one  
21 then during the second qualification they have to go through  
22 the whole class again. So we're talking about an individual  
23 that misses the two consecutive and is still out there.

24 Any questions, comments, concerns, input?

25 MR. BAKER: I kind of have some issues on really

1 what we're looking at where it should be defined is if you  
2 miss your qualification. So it's not first or second. The  
3 second one is just if you have not been working armed. If  
4 you're working armed and you miss a qualification, then your  
5 card is technically invalid because you have to have that  
6 qualification every six months to keep the card valid.

7 EXECUTIVE DIRECTOR INGRAM: Correct.

8 MR. BAKER: So if a licensee allows someone to  
9 work who has not kept their card up, then there should be a  
10 fine.

11 I also believe that --

12 EXECUTIVE DIRECTOR INGRAM: Let me stop you  
13 there. Are you talking about if they miss the first six  
14 months there should be a fine right at that point?

15 MR. BAKER: If they're still working.

16 EXECUTIVE DIRECTOR INGRAM: And what would be  
17 your suggestion on the fine amount for that, missing the six  
18 months?

19 MR. BAKER: Well, are we talking a fine to the  
20 licensee here?

21 EXECUTIVE DIRECTOR INGRAM: Correct.

22 MR. BAKER: I would think 250. And I would think  
23 an equal fine to the officer, because it's their  
24 responsibility to keep their cards up and get qualified. And  
25 the licensee would not be fined for the officer if they're no

1 longer working armed. However, if they're working armed and  
2 it's expired, then it's an egregious violation, and I think a  
3 board review would be in order in that case.

4 EXECUTIVE DIRECTOR INGRAM: And then the second  
5 amount if they failed to do it twice?

6 MR. BAKER: I would put board review and  
7 potential revocation. Again, playing with the firearms.

8 EXECUTIVE DIRECTOR INGRAM: Absolutely. And  
9 you'll put that in writing as well?

10 MR. BAKER: Yes.

11 EXECUTIVE DIRECTOR INGRAM: Thank you, sir.

12 Any other questions, comments, concerns, input?

13 Any comments on what Mr. Baker discussed?

14 Are we still empty in the north?

15 MR. SCHMELZER: We're still here but nobody else  
16 is.

17 EXECUTIVE DIRECTOR INGRAM: Okay. All right. So  
18 that concludes the review of the individual proposed  
19 regulations. So at this time I'd like to open it up again  
20 for any public comment.

21 Seeing none, we'll go ahead and adjourn the  
22 meeting. Thank you all very much for participating. Please  
23 make sure that you've signed in on the sign-in sheet. And  
24 again, if you have time to think about this, you want to  
25 provide more written comments later, please send them

1 directly to me and I'll be happy to entertain those. Thank  
2 you very much.

3 (Hearing concluded at 10:33 a.m.)  
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STATE OF NEVADA        )  
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I, CHRISTY Y. JOYCE, Official Court Reporter for the State of Nevada, Private Investigators Licensing Board, do hereby certify:

That on Thursday, the 22nd day of October, 2015, I was present at the Office of the Attorney General, 100 North Carson Street, Carson City, Nevada, for the purpose of reporting in verbatim stenotype notes the within-entitled public workshop;

That the foregoing transcript, consisting of pages 1 through 100, inclusive, includes a full, true and correct transcription of my stenotype notes of said public workshop.

Dated at Reno, Nevada, this 2nd day of November, 2015.

\_\_\_\_\_  
CHRISTY Y. JOYCE, CCR  
Nevada CCR #625