

MINUTES

PRIVATE INVESTIGATORS LICENSING BOARD

SEPTEMBER 20, 2006

MEMBERS PRESENT:

EDWARD GONZALEZ: BOARD MEMBER

DANIEL CRATE: BOARD MEMBER

DAVID SPENCER: BOARD MEMBER

MEMBERS ABSENT:

JAMES NADEAU: BOARD MEMBER

OTHERS:

KEITH MARCHER: CHAIRMAN

SUSAN LEE: BOARD COUNSEL

MECHELE RAY: EXECUTIVE DIRECTOR

RENE BOTELLO: SENIOR INVESTIGATOR

KRISTINE FARMER: INVESTIGATOR (LAS VEGAS)

BRANDI KING: ASSISTANT

ELAINE TRENT: ASSISTANT

APPROVAL OF MINUTES:

Chairman Marcher called the meeting to order. He asked the Board to review and approve the June 2006 minutes.

Board Member Crate moved to approve the June 21, 2006 minutes.

Board Member Gonzalez seconded the motion, which carried.

FINANCIAL REPORT:

Executive Director Ray said that the financial report was a non-action item and she had provided copies of the closing report for Fiscal Year 2006 for review.

She also provided a current financial report as of August 31, 2006.

Chairman Marcher asked if there were any comments on the financial report, and there were none.

SWEARING IN:

Chairman Marcher swore in all those present in both Carson City and Las Vegas who were to testify during the course of the meeting.

STAFF REPORT:

Senior Investigator Botello reported that there were 196 pending complaints, 42 new complaints, 7 closed complaints, 4 citations were issued at \$5,000 each, and 20 cease and desist letters sent. There were 3 pending citations. He reported that Executive Director Ray had performed 5 audits and issued 4 notices of violations. The office had received 22 backgrounds, completed 28 backgrounds, and 35 backgrounds were pending. He said a total of 85 applications had been received to date for 2006.

Board Member Crate asked if the 4 citations were second offenses.

Senior Investigator Botello said they were second citations.

Chairman Marcher asked if there were any questions or comments on Senior Investigator Botello's report and there were none.

CONSENT ITEMS:

6. The Bazin Group requested a corporate Private Investigator and a Private Patrolman license, for Cynthia Bazin to be the qualifying agent, to place her

individual Private Investigator License and Private Patrolman license in abeyance, and to be approved as the corporate officer.

7. Eric Fletcher, dba Archer Intelligence Agency, requested an individual Process Server license.
8. Infotrackers, Inc. requested a corporate Private Patrolman license, John Strachan requested qualifying agent status, for the Board to grant him an individual Private Patrolman license, and to place it in abeyance.
9. SecTek, Inc. requested corporate officer approval for Wilfred Blood.
10. Trackers, Inc. dba Trak-1Technology requested corporate officer approval for Nancy Roberts and Daniel Roberts.
11. Confidential Business Resources applied for a corporate name change to GlobalOptions, Inc. dba Confidential Business Resources, Stepehn Kmiec requested qualifying agent status, and to approve Halsey Fischer and Harvey Schiller as corporate officers.
12. David Stephan Enterprises, LLC applied for a corporate Private Investigator license, requested qualifying agent status, requested an individual Private Patrolman license, place that license in abeyance, and to be approved as a corporate officer.
13. Spencer Martin and Associates, LLC requested approval for a corporate name change in Private Investigator, Private Patrolman, and Process Server to Martin-Ross & Associates, LLC, Joseph Martin requested qualifying agent status, and Joseph Martin and Richard Ross requested corporate officer approval.
14. AbsoluteHire requested a corporate Private Investigator license, Frank Petrasich requested qualifying agent status, and James Haywood, Dabney Troy, and Lynn Kruthoff requested corporate officer status.
15. Positive Protection of Nevada, LLC requested a corporate Private Patrolman license, James Leyde requested qualifying agent status, asked the Board to place his individual Private Patrolman license in abeyance, and James Leyde and Robert Brueggeman requested corporate officer status.

Chairman Marcher asked if the Board wished to pull any items for discussion. As there was no further discussion, he asked for a motion.

Board Member Crate moved that Items 6-15 be approved as posted, subject to all statutory and regulatory requirements.

Board Member Spencer seconded the motion, which passed.

Chairman Marcher said there had been a few requests to take agenda items out of order to accommodate those who traveled a long distance or had pressing matters elsewhere later in the day. He also stated that each applicant should deliver a brief statement of his or her background to the Board. He noted that the board had a complete background on each applicant to peruse, so a brief description was all that was necessary.

PRIVATE INVESTIGATOR:

PICORE & ASSOCIATES, INC. applied for a corporate Private Investigator license and a corporate Private Patrolman license.

DANA PICORE stated she had a Ph.D. in Clinical Psychology., She stated she was a licensed MFT (marriage/family therapist), was a licensed private investigator, as well as a licensed PPO, all in California. She said she was a former L.A.P.D. training officer and had worked in various divisions of that organization. She said she was specialized in threat assessment and had assessed threats from celebrity stalking to workplace violence.

Board Member Gonzalez asked if Dr. Picore thought her threat assessment expertise was needed in Nevada.

Dr. Picore said she believed that threats existed everywhere there are people.

Board Member Crate asked if there were any financial statements available for the company.

Senior Investigator Botello said all the paperwork had been included in her information packet, but perhaps all the pages had not been PDF'd.

Board Member Crate asked Senior Investigator Botello if he saw any problems with the financial paperwork. He also noted that there was only a statement of financial condition on Page 52.

Senior Investigator Botello said there were no problems with the financial statements.

Chairman Marcher asked if there was further discussion, but there was none.

Board Member Spencer moved to grant PICORE & ASSOCIATES, INC. a corporate Private Investigator license and a corporate Private Patrolman license, to grant Dana Picore an individual Private Investigator license and an individual Private Patrolman license to both be placed into abeyance, and to approve DANA PICORE as qualifying agent and sole corporate officer, subject to all statutory and regulatory requirements. .

Board Member Gonzalez seconded the motion, which carried.

ADMINISTRATIVE BUSINESS:

Chairman Marcher asked to take Item 35 out of order on the agenda.

Item 35 dealt with a discussion to review and accept recommendations on changes to the current licensing exams as provided under NRS 648.030(4) and NAC 648.310.

Executive Director Ray said she would allow Board Member Crate to speak for himself, as he had asked the issue be placed on the agenda.

Board Member Crate said that over the last 10 years the subject of changing the exams occurs periodically for staff. He said he was asking direction from the board to perhaps set up either a sub-committee or a workshop to address the exams given in the various categories. He stated that the current exams contained 50 questions and 20% to 30% of those questions dealt with the statutes. He felt that the statutes could be easily memorized. He said that only 75% was required to pass the exam. He said he has spoken with applicants and most feel that, though they found the test challenging, the pass rate was fairly low. He noted that patrol guards must pass an exam with a 100% score in order to become registered. He noted that perhaps some of the questions included in the exam were not necessary for the applicants to know. He said that there was no reference under the Administrative Code or statutes regarding the passing rate of 75%. He said that the exam was one of the few places the board could assess the competence of applicants in their respective fields. He said applicants could provide proof that they have five years of experience, the proper financial documents, and a clean background, but could pass the test while only knowing 50% of the questions in their category.

Chairman Marcher asked Board Member Crate if he was looking to explore restructuring the exams, and he agreed.

Board Member Spencer said he agreed with Board Member Crate that any test should be reviewed and updated. He noted that the current exams had been in place for a long time.

Executive Director Ray asked if the board had considered testing remotely using a secure website, rather than requiring each applicant to physically come to Nevada to take the exams. She asked if the board was interested in pursuing the idea, as well as learning what other states were doing regarding testing.

Board Member Crate said that topic could be pursued simultaneously, but his main concern was that more was required of registered private patrol employees than the licensees. He said that the private investigator license had several different categories and he was unsure if the test truly reflected the requirements of that license. He said that people with a very basic knowledge of the industry could pass the test as it was now structured. He said people could review the statutes and do well enough on the test to pass, even though they would not score exceptionally well.

Board Member Spencer stated that an online test was basically an open-book test.

Board Member Crate said accommodations could be made under the current statutes.

Executive Director Ray said she was interested in learning what other states were doing in terms of testing of applicants.

Board Member Crate said the board had attempted in the past to contact outside agencies to provide the test, but the minimum cost was \$25,000. He said the outside agencies had proposed contacting existing licensees to submit questions to prepare a new test. He said the board could question the licensees on its own, without paying such a high price.

Executive Director Ray said the board could take care of writing its own exams. PETER MAHEU offered to form a committee to help prepare a new private investigator exam. He knew several people who had developed tests in the past and could help the board with a new exam. He said he would assist in providing an exam that would be acceptable to the board and law enforcement.

Chairman Marcher recommended that the item be tabled and placed on the next agenda, and should include language to create a sub-committee to address the issue.

Board Counsel Lee agreed that the item should be placed on the next agenda specifically.

Chairman Marcher said the board could make contacts and discuss the issue further before the next board meeting.

Board Member Spencer asked if the groups involved could be developing questions or issues to potentially include on the new exams.

Chairman Marcher said the item would be tabled and the sub-committee would be formed.

Executive Director Ray asked if the sub-committee would be formed with a representative from each category.

Chairman Marcher said that would be discussed and would be a good idea.

Chairman Marcher asked for a motion.

Board Member Crate moved to table the agenda item until the next meeting.

Board Member Spencer seconded the motion, which passed.

Item 39 involved discussion regarding HR 624 15USC 5901 “Federal Reciprocity” as it relates to the armored car industry with Nevada.

JAMES J. CUSACK represented the armored car industry.

Chairman Marcher said he would allow Mr. Cusack to present his case for several minutes, but wanted to inform those at the meeting that staff had asked for an Attorney General Opinion. He also stated that the matter would be tabled until after the AGO was received and would be decided at the December 2006 board meeting.

Mr. Cusack stated that he was the general counsel of the National Armored Car Association. He said he represented nearly every major armored car company in America. He said he had been involved with the business for the past 30 years. He has also operated an armored car. He said reciprocity of licensure was a serious problem with the industry. He said in 1993, the president of the association, Mr. Cleary, was aware of the problem. He had been jailed in New Jersey for not having a valid New Jersey license. He had been nicknamed the Rosa Parks of the armored car industry. Mr. Cleary and Mr. Cusack went to Congress to negotiate the Armored Car Reciprocity Act to allow the armored car crews licensure to pass through states so they could function and be in compliance nationwide. He said the first act was passed in 1993 and amended in 1998. He said the congressional intent to pre-empt the field in the area of licensure for the armored car crews operating on an interstate basis. He said the impact for Nevada was basically the jewelry shows. He said their clients were retained (i.e. Dunbar Corporation) to send 30-40 armored cars to the jewelry

district in New York. He said they would transport the material to Newark airport where it would be placed on planes. Their personnel would board the plane to travel to Las Vegas, meet the cargo as it arrives, and take it to the Las Vegas Convention Center. He said it was within the custody of the armored car company the entire time and they would be responsible for the replacement of that material if it were stolen. He said it was in the same category as currency for the Federal Reserve. He said the totality of responsibility rested with the armored car companies while the material was in their possession. He said the shippers needed the assurance that the armored car company would maintain control of the jewels at all times and the jewels would be covered by insurance. Mr. Cusack noted that he had provided documents showing the legislative history of the act. He said the Congressional intent of the act was shown on Page 5 of 14. He read the part he had underlined that he felt was important. He read that 624 would amend the Armed Car Reciprocity Act of 1993 to require reciprocity among the states with a weapons license and other necessary licenses if a member of an armored car crew is licensed and has met all the requirements in the state in which he or she is primarily employed. He said he would be amenable to faxing information to the PILB of people working for armored car companies who will be coming to Nevada. He said he was willing to accommodate any reasonable request. He said Texas originally had made the request to be notified of armored car employees, followed later by a request from South Dakota.

Chairman Marcher said a perfect question for an Opinion would be if Mr. Cusack was aware of any Attorney General Opinions from other states.

Mr. Cusack said the question was raised in Florida, his home state. He said in most places it is handled informally. He said investigators were provided with a copy of the statute and the interpretation thereof. He said in Florida there was a problem with the type of weapons being carried by armored car personnel. He said Florida wanted permissible weapons to be carried, which the armored car companies did not know at the time.

Chairman Marcher said Board Counsel Lee would check with other states to see if other opinions have been offered on the subject.

Board Member Crate stated that, as presented, he wouldn't have a problem with reciprocity. He said Mr. Cusack used the analogy of crew members delivering to an airplane, staying on the plane from departure to arrival, and the removal of the shipment from the planes to the armored cars. He said it had been explained to him that the armored car crews were traveling independently from the shipment and then would meet it on the receiving end. He said there was a difference between control and custody. He said he understood if employees accompanied a shipment from start to finish, he would not want to impede that business of making deliveries. He said his concern was when people arrived independently from the shipment. He said those people seem to be outside the intent.

Mr. Cusack said those employees were part of the same organization and part of the same totality of responsibility. He said there was a greater manpower

responsibility when a shipment was on the ground as opposed to in flight. He said the legislative intent was to include those people traveling independently. Board Member Crate said that was the area of his concern and he would like more clarification. He said there was much information given on the background and history of the act. He said there was no reference made to interruption of service or to airlines. He said frequent reference was made of armored car crews without giving a definitive explanation. He read from the provided documents that an armored car crew was an assemblage of employees to take possession, transport , and deliver valuables. He said the variations seemed overly broad in assuming that the legislative intent was to include any number of additional people that might come in during the process.

Mr. Cusack said that was the intent of the legislation. He said the Las Vegas jewelry show was a specific target of their ability. He said he wanted to put Las Vegas on an even footing with other cities in terms of third party holding responsibility of cargo. He said Las Vegas was on their minds when they wrote the bill.

Chairman Marcher said Attorney General Opinions go through an exhaustive review process. He said the opinion request may be available by the December 2006 board meeting.

Mr. Cusack said he could put Board Counsel Lee in touch with other attorneys generals in other states.

Senior Investigator Botello said staff had done intensive work over the past 18 months on the issue. He stated that two Attorney General Opinions were

included in the information the board, and one of them was from Texas. He said Mr. Cusack had correctly represented the issue with reference to crew members. He further stated that the concern of staff was exactly that as stated previously by Board Member Crate. He asked Mr. Cusack if he represented Dunbar, and he said he did. Senior Investigator Botello said Dunbar was licensed in Texas to provide security and Mr. Cusack agreed they were. He then said that Dunbar was able to provide crew members, and he did not have an issue with that. He said the issue was specific to the corporation being licensed and the employees traveling independently from the cargo.

Chairman Marcher said Board Counsel Lee would be writing the opinion.

Mr. Cusack said that the issue was addressed in South Dakota. He said a party was not licensed in South Dakota. He explained that the shipments originated and terminated in Montana. He said in that particular state, the Attorney General did not feel there was a licensure requirement in the state of South Dakota. Mr. Cusack said that some armored car companies are licensed in Nevada. He said any other out-of-state companies would be covered by the act.

Chairman Marcher asked for further comments. As there were none, he said he would provide a copy of the opinion to Mr. Cusack.

PRESENTLY LICENSED CORPORATIONS REQUESTING NEW QUALIFYING AGENT:

LOOMIS FARGO & COMPANY requested qualifying agent status for ROBERT SPINETTA.

Chairman Marcher asked Mr. Spinetta for a brief background. He said he had been with Loomis Fargo for 21 years. He said he had experience as the coordinator of the registered employees and made sure all aspects of the

business were running smoothly. He also had experience in the security department of the company.

Board Member Crate asked if there was a current relationship between Loomis Fargo and Securitas.

Mr. Spinetta said both Securitas and Loomis Fargo were both owned by the same company, but Loomis Fargo had nothing to do with Securitas in Nevada.

Board Member Crate asked if the name "Securitas" was displayed on any of Loomis Fargo's vehicles, and he said it was not.

Board Member Crate asked if that were true for the rest of the country Mr. Spinetta said that as far as he knew, it was true elsewhere and he had never seen the Securitas logo on Loomis Fargo vehicles.

Chairman Marcher asked for further comment.

Board Member Gonzalez moved to grant ROBERT SPINETTA qualifying agent status for LOOMIS FARGO, and that he be granted an individual Private Patrolman license, and to place that license in abeyance, subject to all statutory and regulatory requirements.

Board Member Crate seconded the motion, which passed without further discussion.

SIMMONS INVESTIGATIONS & SECURITY AGENCY, INC. requested qualifying agent status for FRANK HADNOT, JR.

Mr. Hadnot said he had been involved in management with Simmons Security since 1985. He said the founder, Mr. Daniel Simmons, had recently retired. He

said the company needed to remove the name of Mr. Simmons from the licenses and replace it with his name as the new qualifying agent.

There were no questions or comments from the Board or from the public.

Board Member Crate moved to grant FRANK HADNOT, JR. an individual Private Patrolman license, to place that license in abeyance, and to approve FRANK HADNOT, JR. as the corporate officer for SIMMONS INVESTIGATION & SECURITY, INC., subject to all statutory and regulatory requirements.

Board Member Spencer seconded the motion.

Board Member Gonzalez asked about the use of the term "Investigations" in the title of the company, and if the company did not intend to handle investigations.

Mr. Hadnot said the company had not done investigative work for quite some time. He said he would like to obtain a fictitious name or a DBA which would remove the word "Investigations" from the name.

Executive Director Ray clarified that the company had been licensed in Nevada for a long time.

The motion then passed.

US INVESTIGATIONS SERVICES, LLC, requested qualifying agent status for SHANNON BRIGGER.

Ms. Brigger said she had been with USIS since 2000. Prior to that, she was a contractor for the United States Navy in San Diego, California. She said she had a degree in Interdisciplinary Studies.

Board Member Crate asked Ms. Brigger if Phil Harper was still with the company.

Ms. Brigger said he had retired and there was a new CEO for the past year.

Chairman Marcher asked if there were any public comments, but there were none.

Board Member Crate moved to grant SHANNON BRIGGER an individual Private Investigator license to be placed in abeyance so that she could become the qualifying agent for US INVESTIGATIONS SERVICES, LLC, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion.

Chairman Marcher asked if there was any further discussion.

Board Member Crate advised Ms. Brigger that she should make sure the investigators represent themselves as licensed registered employees rather than investigators for the United State government.

Ms. Brigger said that the badges look very similar. She said the badges now stated that the employees were contractors.

Board Member Crate advised her to make sure her investigators not misrepresent their credentials.

Board Member Spencer asked if the company had submitted a badge for approval, and she said she had not done that.

Executive Director Ray asked Ms. Brigger to provide her with a badge for approval, and she said she would do so.

The motion then carried.

Executive Director Ray said Ms. Brigger should take one of the newsletters available at the sign-in table which further explained the statutory requirements for badges and patches, and she said she would.

PRIVATE INVESTIGATOR:

INTELLICORP RECORDS, INC. requested a corporate Private Investigator license.

Chairman Marcher said he would recuse himself from this agenda item and would turn the gavel over to Board Member Spencer.

JOHN FRANCOIS said he had been in the United States Air Force and had performed Presidential detail. He had also worked for the State Department and had worked overseas. He also had experience with a bomb squad. He had returned to Nevada and opened a company, but then had been called back into military service.

Bill Hauswirth explained that Intellicorp had been denied a license during the June 20, 2006 Board meeting. Intellicorp had reapplied to the Board for licensure.

Acting Chairman Spencer asked if there were any questions.

Board Member Gonzalez asked Mr. Francois about a debt owed to the military and asked specifically about Nevada tax liens.

Mr. Francois said he was unaware of the tax lien issue.

Board Member Gonzalez said the financial matters were nothing extraordinary.

Senior Investigator Botello said that he had discussed the financial issues with Mr. Francois during the course of his back ground check.

Mr. Francois said he believed the issue concerned a home sold in California.

Board Member Crate asked Mr. Hauswirth asked about the matter of unlicensed activity noted in his application. He asked Mr. Hauswirth if he had affirmed that unlicensed activity had taken place with his company.

Mr. Hauswirth said Intellicorp had used a licensed person to conduct courthouse searches.

Acting Chairman Spencer asked Senior Investigator Botello if there was further information. He said nothing had changed since the previous Board meeting.

Executive Director Ray clarified that there had been no fine levied against Harrah's.

Board Member Gonzalez asked if Intellicorp had substantiated that Axcion and USIS had been used to perform the work.

Mr. Hauswirth said that was true.

Acting Chairman Spencer asked if there were further questions or comments.

He then asked for a motion.

Board Member Crate moved that INTELLICORP RECORDS, INC. be granted a corporate Private Investigator license, that JOHN FRANCOIS could place his individual Private Investigator license in abeyance to become the qualifying agent, and to approve SCOTT STEPHENSON, WILLIAM HAUSWIRTH, KENNETH GERAGHTY, RICHARD BOEHNING, and FRANCIS COYLE, JR. as corporate officers, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which carried.

CHOICEPOINT WORKPLACE SOLUTION, INC. asked for a corporate Private Investigator license.

DEBORAH DEAN stated that she had been with Choicepoint for 10 years. Before that, she had worked for Brink's, Incorporated. She said that Choicepoint had undergone a re-alignment. She said she had performed courthouse searches as an investigator. She had also performed background investigations for the FBI and other agencies. She stated that most of the information had been gathered concerning rap sheets.

Board Member Spencer asked if she had performed backgrounds for other agencies.

Ms. Dean said that Choicepoint had done so.

Board Member Crate asked staff about a FedEx document date-stamped in December 2005.

Executive Director Ray said that the date was the date of a fax. She said she usually dealt with Laura Peterson in Georgia concerning matters with Choicepoint and the application process.

Board Member Crate asked about a clarification of officers on Secretary of State documents. He asked if Ms. Dean would carry the request back to the company. She said she would do so.

Chairman Marcher asked for comments or a motion.

Board Member Spencer moved to grant CHOICEPOINT WORKPLACE SOLUTIONS, INC. a corporate Private Investigator license, to grant DEBORAH DEAN an individual Private Investigator license, to place that license in abeyance so she could become the qualifying agent, and to approve DAVID LEE, DAVID

DAVIS, and JOHN MONGELLI as corporate officers, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which carried.

Chairman Marcher recused himself from presiding over the request of CORPORATE RESEARCH INTERNATIONAL, INC. applied for a corporate Private Investigator license and turned the chair over to Acting Chairman Spencer.

MICHAEL MALLETT appeared with Patrick Fagan of Allison & McKenzie.

Mr. Mallett said he was aware that there had been questions concerning his mystery shopping company.

He said he started in 1998 performing mystery shopping. He began a company based in Findlay, Ohio and was the sole employee. The company had grown and employed 175 people at the present time. He said the company now produced \$10,000,000 a year in sales. He said his company had been noted in Inc. magazine as one of the fastest growing companies in the United States. He said he was not a member of the MSPA (Mystery Shopping Provider's Association).

He said that less than 1% of the company's business took place in Nevada. He said he had received a citation on November 4, 2005 from the Board. He then contacted the law firm, Allison & McKenzie citation November 21, 2005. . He said he received a second citation December 13, 2005. He said he contacted the Board after receiving the second citation. He said he agreed to apply for licensure April 20, 2006. He said he paid the \$5,000 fee for the citation. He said

he then began to search for a private investigator firm to work with in Nevada. He said he personally handled the project due to its importance. He called every p.i. firm on the list. He said few people returned his phone calls. He said two people who returned his calls said they would have to make sure the PILB would allow them to do this work and he had not heard from either one of them.

Mr. Mallett said he then began working with a competitor in order to benefit his clients. He said he asked the IT department of his company to rewrite the internal software to handle work done in Nevada. He said he had no desire to perform private investigator work and that he only wanted to be involved in mystery shopping.

Board Member Crate asked about the two citations Mr. Mallett had received.

He asked for the dates of both citations.

Mr. Mallett stated that the first one was received on November 4, 2005 and the second citation was received December 13, 2005.

Board Member Crate asked why Mr. Mallett had received a second citation after receiving the first one.

Mr. Mallett said after the first citation, he had contacted his attorney, who then contacted Allison & McKenzie in Carson City. He said he was trying to determine the laws and requirements were in Nevada.

Board Member Crate asked Mr. Mallett that, after receiving the first citation, he continued operating while seeking the opinion of an attorney.

Mr. Mallett said that was true.

Board Member Crate asked if there were tax returns that were not a part of the package received by the Board from him.

Senior Investigator Botello said there were only 1 of 3 tax returns 1 was a W-2 statement. He said for the most part, he was satisfied with the tax information provided.

Board Member Crate asked Mr. Mallett that in his statement he had provided tax returns from 1998 to 2002.

Mr. Mallett said he had provided those additional documents to prove he had been in business for that time period.

Board Member Crate asked Mr. Mallett why he had left the portion of the application regarding unlicensed activity blank.

Mr. Mallett said he was unsure why that had occurred.

Board Member Gonzalez noted that much information requested in the application that had been requested a second time, but had been left blank. He said the packet was not very informative. He noted that for information concerning his residence, Mr. Mallett had only written "rental" in the blank.

Mr. Mallett said he must have misinterpreted the information he needed to include.

Board Member Gonzalez noted that Mr. Mallett was doing business in several areas. He noted that there was a golf business that was not his company.

Board Member Gonzalez asked where Mr. Mallett resided and he said resided in Sandusky, Ohio.

Board Member Gonzalez asked Senior Investigator Botello about the information the Board had received and if he was satisfied with it. He reiterated that so much information was missing and it was hard for him to decipher.

Senior Investigator Botello said that it was difficult to account for the statutory requirement of five years and 10,000 hour requirement for experience. He said it was very hard to account for hours of experience for people who were full-time mystery shoppers. He said he was still having a hard time understanding the applicant's involvement with Corporate Research International, Inc. He said he was still having difficulty in saying that Mr. Mallett indeed had the required minimum amount of experience.

Board Member Gonzalez noted that one of the individuals that Mr. Mallett listed in support of his experience did not support the hours.

Mr. Mallett said one of the gentlemen rents office space from him and he had only spoken to him on 3 separate occasions. He said the first time he spoke to the man was when he actually rented the office space. The second time was when Mr. Mallett received the citation and asked the gentleman, who was a private investigator, if he would obtain a license in Nevada and Mr. Mallett would work with him. He said the gentleman submitted his application and then decided not to proceed with the licensure. That was the third time Mr. Mallett spoke to him. Mr. Mallett said he was not sure how the man came to be on the list of people contacted.

Board Member Gonzalez said that one contact led to another and that was the work done by Senior Investigator Botello.

Mr. Mallett said the gentleman only rented from him and actually had no idea about Mr. Mallett's business

Board Member Gonzalez said that, while the man may not have known what Mr. Mallett did, he had implied what Mr. Mallett did not do.

Mr. Mallett said the man lived in a different city and did not live in Findlay he said the man in question had one employee who worked in the Findlay office. He said he had 12 signed affidavits from people in the office who knew about his full-time hours. He said he leased the golf course out. He said he worked at least 70 hours a week.

Board Member Gonzalez asked if Mr. Mallett's employees were the ones who physically did the mystery shopping.

Mr. Mallett said he had 175 employees, including IT and account managers. He noted that he had provided a breakdown of the staff.

Board Member Gonzalez asked Mr. Mallett if he had mystery shopping experience, and Mr. Mallett said he did.

Board Member Gonzalez asked him how many hours he had accumulated.

Mr. Mallett said when he started the company, he did all the work himself, which began in 1997. He said he worked from 6:00 a.m. to midnight every day in post offices in Texas and Oklahoma. He said as the business grew, he gradually hired more people.

Board Member Gonzalez asked Mr. Mallett how many hours he granted himself in mystery shopping experience.

Mr. Mallett said he had perhaps 20,000 hours of experience or more.

Board Member Gonzalez noted that several individuals stated that they would vouch for his hours.

Mr. Mallett said that was absolutely true and again mentioned the 12 signed affidavits that attested to his hours.

Board Member Gonzalez asked about the individual who claimed that Mr. Mallett had 20,000 of experience. He asked how much time was involved to accumulate those hours.

Mr. Mallett said that individual had known him for 20 years, but only became an employee five years ago.

Board Member Gonzalez asked Senior Investigator Botello for clarification about the W-2's and tax forms and if they were enroute to the Board.

Senior Investigator Botello said that a majority of the monies reported was earned through Corporate Research. He said there was no doubt in his mind that the financial reports were complete.

Board Member Spencer asked Mr. Mallett why it took him so long to turn in the tax forms.

Mr. Mallett said he was certain his assistant had sent the documents to the Board.

Board Member Spencer said that, since so much of the application was left blank or improperly completed, he felt Mr. Mallett was too busy to complete the forms properly.

Mr. Mallett said that statement was untrue.

Board Member Spencer asked Senior Investigator Botello if there was any further information that staff required, and he said not at the time.

Chuck Kennerson of Global Intelligence Network spoke from Las Vegas. He said some folks “get it” and some folks do not. He said he felt that Mr. Mallett and his company flagrantly violated Nevada laws and statutes. He said Corporate Research International showed total disrespect for regulations, for the PILB, and the citizens of Nevada. He stated that one of his employees accessed Corporate Research International’s website just days before this Board meeting and saw dozens of mystery shopping jobs available in Nevada. The employee chose a job, performed that job, submitted the job to the website, and received confirmation that the report was received. He said he would strongly recommend that the applicant be denied and would submit information for a complaint at the close of the meeting.

Peter Maheu said that he had submitted to each Board a summary of possible hours a mystery shopper could accrue. He said of the 250 employees in his organization, 14.5 hours a month was the average amount of hours his mystery shoppers were working. He said his best shoppers and only one worked 39 hours in two weeks. He said he believed people were being careless in their certification of mystery shopping hours for the applicants. He said it was impossible to accumulate as many hours as Mr. Mallett’s certifications claimed.

Gina Crown noted that Mr. Mallett said he had contacted all the private investigator firms on his list regarding mystery shopping, but she had never been contacted by him.

Peter Maheu agreed that his company logs all calls and he had never received a call from Mr. Mallett, either.

Chairman Marcher said that Mr. Mallett had made the calls from a list provided by Executive Director Ray.

Board Member Spencer said that Mr. Mallett had stated that he had not called any firms that he felt could be possible big competitors. He then asked Mr. Mallett about the internet postings for jobs in Nevada.

Mr. Mallett said the postings of jobs were in place so people could begin to work as soon as possible. He said the employees could not receive a work card until the company had a qualifying agent in place.

Board Member Spencer said the use of the internet to advertise mystery shopping jobs before a license was issued was a violation of statute.

Mr. Mallett said his interpretation was that he would aggressively seek a private investigator firm in order to work in Nevada.

Board Member Spencer stated that Mr. Mallett had no license and should not keep soliciting work in Nevada.

Acting Chairman Spencer asked for a motion.

Board Member Crate moved that CORPORATE RESEARCH INTERNATIONAL, INC. be denied a corporate Private Investigator license, to deny MICHAEL MALLETT qualifying agent status and to deny him an individual Private Investigator license, and that MICHAEL MALLETT be denied corporate officer status, subject to NRS 648.100 (3) (F))While unlicensed performed any act for which a license is required by this chapter; and that the staff investigator should

follow up on testimony just given and, if warranted, issue a 3rd and 4th citation, subject to all statutory and regulatory requirements.

Acting Chairman Spencer seconded the motion.

The motion carried.

Acting Chairman Spencer said that Mr. Mallett had been denied licensure at this time, based upon his own statements.

Chairman Marcher said he would not need to recuse himself from any further agenda items.

SKYE CAMPBELL requested an individual Private Investigator license

Ms. Campbell said she had a Bachelor's Degree and a Master's Degree.

She said in 2000 she began working in insurance fraud investigation and performed that work for about two and a half years. She then went to work in the private investigative field in criminal defense. She said she had 10, 520 hours of experience.

Chairman Marcher asked if there were questions or comments.

Board Member Gonzalez moved to grant SKYE CAMPBELL an individual Private Investigator license, subject to all statutory and regulatory requirements.

Board Member Spencer seconded the motion, which passed without further discussion.

JOHN ALAMSHAW applied for an individual Private Investigator license.

Chairman Marcher said he knew Mr. Alamshaw.

Mr. Alamshaw said he had received a B.S. degree in Criminal Justice in 1977. In 1978 he had attended the Chicago Police Academy and had worked in Chicago

for three years. He then moved to Las Vegas and worked there for the past 24 years at Las Vegas Metropolitan Police Department. He had spent 13 years as a supervisor of narcotics and internal affairs. He said he began working with Dave Groover in 2005 and decided to obtain a license.

Chairman Marcher asked for questions.

Board Member Gonzalez said he also had the pleasure of acquaintance with Mr. Alamshaw.

Chairman Marcher asked for motion.

Board Member Gonzalez moved that JOHN ALAMSHAW be granted an individual Private Investigator license, subject to all statutory and regulatory requirements.

Board Member Spencer seconded the motion, which carried.

AMERICA DATABANK, LLC applied for a corporate Private Investigator license.

TOSHI AKIYAMA said the company was located in Denver, Colorado.

He said the company was involved in employment screening. He said they also provided tenant and drug screening services. He said the company was small.

He said he had graduated from the University of Colorado. He said most of the services his company provided were for foreign corporations. He said he applied for licensure so he could work in Nevada.

Chairman Marcher asked for questions or comments.

Board Member Crate asked if Mr. Akiyama about his partner in business and why that gentleman was not being discussed for corporate officer approval.

Mr. Akiyama said the partner did not reside in the United States, but lived in Japan. He said the gentleman was a silent partner and not involved with the business in the United States.

Chairman Marcher asked for a motion.

Board Member Spencer moved that TOSHI AKIYAMA be granted an individual Private Investigator license and to place it in abeyance so he could become the qualifying agent, that AMERICA DATABANK, LLC, be granted a corporate Private Investigator license, and that TOSHI AKIYAMA be granted corporate officer status, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which passed.

TYRONE ATWATER applied for an individual Private Investigator license.

Mr. Atwater said he had worked for the Los Angeles Police Department as an investigator. He said he was licensed in California and had worked for Inyo and Mono County performing investigations. He said in 2000 he entered a partnership. He said he worked full time for two and a half years.

Board Member Gonzalez asked Mr. Atwater why he had tired of living in Los Angeles, to which he replied it was the smog and congestion. Mr. Atwater decided he wanted to be a cowboy and moved to Nevada.

Board Member Gonzalez moved to grant TYRONE ATWATER an individual Private Investigator license, subject to all statutory and regulatory requirements.

Board Member Spencer seconded the motion, which carried.

MICHAEL JULIAN dba NATIONAL BUSINESS INVESTIGATIONS applied for an individual Private Investigator license.

Mr. Julian said his father started the company in 1967 and he had grown up with the business. He took over the business in 1997 when his father passed away.

He said Executive Director Ray had told him that in order to work legally in Nevada, he would need to obtain a license. He said he was licensed in California and his business was based on professionalism and integrity.

Chairman Marcher asked for comments or question, but there were none.

Board Member Spencer moved to grant MICHAEL JULIAN dba NATIONAL BUSINESS INVESTIGATIONS, be granted an individual Private Investigator license, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which carried.

DORIS FUHRMANN applied for an individual Private Investigator license.

Ms. Fuhrmann said she had several years of experience in governmental agencies in California. She said her background was in enforcement and investigations for both civil and criminal defendants. She said she had worked with the FBI, as well as other law enforcement agencies. She stated that she also had experience in interviewing defendants. She said she wished to clarify Page 6 of Senior Investigator Botello's report regarding her background report. She said she began working for Diane Deines of Diamond Abstractors in October 2005. He was repeatedly assured by Ms. Deines that the work she was performing did not require a license. Ms. Fuhrmann was searching the criminal courts index. Ms. Fuhrmann again asked Ms. Deines about the issue of licensure, and Ms. Deines said she had discussed the matter with the board. Ms. Deines said that, since background checks were not being performed, a license

was not needed. She stated that in April 2006 she was informed by a private investigator at the court that she did need to be licensed. She then called Ms. Deines and insisted that she receive a work card. Ms. Deines told her to acquire a work card and that she would be paid as an employee. She said she did not conduct any background work while knowing she needed to be licensed. She said she was a forthright and honest person.

Board Member Gonzalez asked about the hours listed on her application and deferred the question to Senior Investigator Botello.

Senior Investigator Botello said that, specific to prior employment, the certifications of hours had been verified and accepted.

Board Member Gonzalez asked if the question was between receiving W-2's or being paid under the table.

Senior Investigator Botello said the issue was specific to her income from Diamond Abstractors.

Ms. Fuhrmann said she had formed a little company for abstracting which included title abstracting, document recording, a mobile notary service, along with criminal work. She said the reason she formed the company was to enlarge the abstracting business. She said Ms. Deines paid her for document services and she did not realize she needed to be licensed at that time. She said for 2006 she would have a W-2, but would not have a W-2 for 2005.

Board Member Gonzalez asked if the business was a separate entity.

Ms. Fuhrmann said she may let A-1 Document Service go, as it was unfruitful.

Board Member Gonzalez asked if a family member was working with her in her business.

Ms. Fuhrmann stated that her husband owned 1% of the business, but she was the only one who had participated in performing work.

Executive Director Ray said Ms. Fuhrmann was a bona fide employee of Diamond Abstractors with a work card.

Board Member Crate asked if Diamond Abstractors was licensed, and Executive Director Ray said it was true.

Board Member Crate said that Ms. Deines had employed Ms. Fuhrmann, but had not registered her until July 2006.

Ms. Fuhrmann noted that she needed a license to perform criminal index searches.

Executive Director Ray noted that Ms. Fuhrmann no longer needed to remain an employee of Diamond Abstractors.

Board Member Crate asked how many employees worked for Diamond Abstractors and Executive Director Ray believed there were only a couple of employees.

Ms. Fuhrmann said Ms. Deines had hired her to work in Washoe County, so she was not familiar with the business set up in Las Vegas.

Chairman Marcher asked for public comment.

Board Member Gonzalez moved that, taking all of Ms. Fuhrman's comments into consideration, DORIS FUHRMANN be granted an individual Private Investigator license, subject to all statutory and regulatory requirements.

Board Member Spencer seconded the motion, which carried.

Chairman Marcher noted that PERRYETTA FORTSON-LACY was absent.

Board Member Crate moved to advance the request to the next Board meeting.

Board Member Spencer seconded the motion, which carried.

PRIVATE PATROLMAN:

DOUBLE L SERVICES, LLC requested corporate officer approval for MICHAEL LYNN. In addition, Mr. Lynn applied for an individual Private Patrolman license. He requested that if approved the license be placed into abeyance.

Mr. Lynn said he had served six and a half years in the United States Army. He had worked for a year and a half at Pinkerton. He began working for the Department of Corrections in 1995. In 1997, he moved to Portland, Oregon and worked as a security officer for three and a half years. He returned to Nevada continued to work in the security industry.

Chairman Marcher asked for any comments.

Board Member Crate asked Senior Investigator Botello about the Certificate of Experience forms that had been completed by an employer, a client, a friend, and another friend who also submitted a personal reference. He asked if the certificates were required from former employers.

Senior Investigator Botello said he had attempted to obtain certificates from former employers.

Board Member Crate asked if the state of Nevada had responded to the request.

Senior Investigator Botello said the Department of Corrections had verified Mr. Lynn's employment.

Mr. Lynn said he could submit a certificate of his employment.

Board Member Crate said he was not concerned so much with the fact that he was indeed an employee, but with the fact that he had or had not been terminated.

Mr. Lynn said he had not been terminated.

Chairman Marcher asked for a motion.

Board Member Spencer moved to grant DOUBLE L SERVICES, LLC corporate officer approval for MICHAEL LYNN, to grant MICHAEL LYNN an individual Private Patrolman license and to place it in abeyance, subject to all statutory and regulatory requirements.

Board Member Crate seconded the motion, which passed.

HIGH DESERT SECURITY TRANSPORTATION, INC. requested a corporate Private Patrolman license.

ROBERT WEST said his company would provide transportation for adjudicated youth to and from juvenile facilities for medical runs, treatment facilities, court appointments, and the like. He said he had worked in the field for 20 years and had worked with over 10,000 youth in this field. He said he had a criminal justice administration degree, as well as a Master's Degree in the field. He said he had supervised a site that had a \$3,000,000 budget.

Board Member Crate asked if Cheryle West was his wife.

Mr. West said she was his wife.

Board Member Crate asked for clarification about the roles of Mr. West and Cheryle West.

Mr. West said he was asking for qualifying agent status and Cheryle West was requesting corporate officer status.

Chairman Marcher asked for other comments or questions. As there were none, he asked for a motion.

Board Member Crate moved that ROBERT WEST be granted an individual Private Patrolman license, that it be placed in abeyance, that HIGH DESERT SECURE TRANSPORTATION, INC. be granted a corporate Private Patrolman license and that ROBERT WEST be granted qualifying agent status, and that corporate officer status be granted to ROBERT WEST and CHERYLE WEST, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which carried.

Board Member Crate recused himself from Items 31 (Pedus) and 32 (SPECOPS).

PEDUS SERVICE, INC. applied for a corporate Private Patrolman license.

HAROLD HUNTER stated that he was director of operations for Pedus Services in California. He said he had over 32 years of experience in the security industry and was a retired law enforcement officer from California.

Chairman Marcher asked for public comment or Board questions. As there were none, he asked for a motion.

Board Member Gonzalez moved that HAROLD HUNTER be granted an individual Private Patrolman license, that it be placed in abeyance so that he could become the qualifying agent of PEDUS SERVICE, INC., that it be granted a corporate Private Patrolman license, and that EDWARD McINTYRE be

approved as a corporate officer, subject to all statutory and regulatory requirements.

Board Member Spencer seconded the motion, which carried.

PRIVATE INVESTIGATOR AND PRIVATE PATROLMAN:

SPECIAL OPERATIONS INTERNATIONAL, INC. dba SPECOPS

INTERNATIONAL applied for a corporate Private Patrolman license.

JOHN JOYCE stated that he was chief executive officer of SPECOPS. He said he had two years of college experience and had studied fire technology in the military for three years. In 1987 he entered law enforcement and was an officer for approximately eight years. He left in 1996 to start his own business. He said his company had worked for Vons grocery store chain for approximately five years. He noted that he was also a licensed private investigator in California. He said he had been asked by Vons to work in loss prevention for them in Nevada. He said he had been cited for unlicensed activity and had paid the fine. He said he had been working for approximately 11 months under Dan Crate's license and under his supervision to provide services to Vons.

Chairman Marcher asked for Board questions or public comment, but there were none. He then entertained a motion.

Board Member Spencer moved to grant SPECIAL OPERATIONS INTERNATIONAL, INC. dba SPECOPS INTERNATIONAL a corporate Private Investigator license and corporate Private Patrolman license, to grant JOHN JOYCE an individual Private Investigator license and an individual Private Patrolman license to be placed in abeyance so he could become the qualifying

agent, and that JOHN JOYCE be approved as the corporate officer, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which carried.

ADMINISTRATIVE BUSINESS:

Chairman Marcher said that Item 34 would be skipped and Item 36 would be discussed.

CHAIRMAN MARCHER returned to the administrative portion of the agenda, Item 36, by swearing in MICHAEL YEPKO, License 988, so he could speak before the board.

Chairman Marcher clarified with Executive Director Ray that Mr. Yepko had been placed on probation by the board in 2003 and the purpose was to terminate the probation.

Executive Director Ray said Mr. Yepko had complied with the terms of the probation agreement. She said she had received activity reports from Mr. Yepko and his mentors. She said he had done everything he had been asked to do.

Chairman Marcher asked Executive Director Ray if she recommended that the probation should be terminated and she said she did.

Board Member Gonzalez said he did not recall the nature of the probation.

Chairman Marcher said it had occurred a few years in the past. Executive

Director Ray said the probation term had been two years and nine months.

Michael Yepko said he wanted to speak. Chairman Marcher reminded him that Executive Director Ray had already agreed to terminate his probation.

Mr. Yepko said since his probation began in 2003, he had overhauled his method of case selection. He had served 9,000 people and performed 75 investigations. He said he tried to educate his clients on what he could and could not do while carrying out his work. He said he had three very difficult cases in a five month period during 2003 prior to the imposition of the probation. He said since his probation began, he submitted 26 reports to the board, which took about 70 hours to complete. He had also placed many phone calls to Executive Director Ray and his mentors during that period. He joined the Better Business Bureau January 2004 and asked for their insight to improve his business. He attended a conference in Las Vegas, subscribed to a private investigator magazine, had continued his education, attended private investigator meetings, and read extensively to satisfy the board.

Chairman Marcher asked for a motion.

Board Member Spencer moved that Michael Yepko, License 988, be granted full license status and that the probation period be terminated.

Board Member Crate seconded the motion.

Board Member Gonzalez thanked Mr. Yepko for “over-satisfying” the board in terms of meeting his probationary requirements.

Mr. Yepko said he had taken the period very seriously and had re-evaluated his business practices. He stated that he had received help from both Carol Hanna and Mechele Ray. He said he did not want to appear before the board again for a probationary matter.

Board Member Crate asked if Mr. Yepko was a better licensee from what he had experienced during the probation.

Mr. Yepko said 75% of his business was process serving and 25% was private investigating. He said his goal was to exceed all requirements set by the board.

The motion then carried.

JOHN THEEL, Item 37, asked the board to grant an exemption for the Consumer Electronics Show. He said he wanted to use out-of-state law enforcement individuals to assist with the electronics show. He said these individuals worked for SOA in other states. He requested 15-20 people to work from January 4-13, 2007. He said the people would be registered and would follow all requirements.

Chairman Marcher asked Executive Director Ray if there was a history with Mr. Theel.

Executive Director Ray said Mr. Theel had appeared before the board in both December 2005 and March 2006 to ask for an exemption to use out-of-state employees for the JCK Jewelry Show. The board had granted that exemption at the March 2006 meeting.

Board Member Spencer said he recalled that Mr. Theel had attempted to determine if Las Vegas Metropolitan Police Department could provide adequate individuals to assist during the JCK show. Mr. Theel said he had contacted LVMPD and they said they would not participate in providing individuals to work at the show.

Board Member Crate asked how many out-of-state officers Mr. Theel would utilize. Mr. Theel stated the 15-17 active police officers from a group of about 75 would be used.

Board Member Crate said Mr. Theel stated that 500 security officers would be used during the show. He said Mr. Theel's letter stated that less than 15 out-of-state officers would be needed.

Mr. Theel said 15 was a good number.

Chairman Marcher asked if there was any public comment.

JOSE REVILLA said his situation was quite similar to Mr. Theel's, as he would also be requesting an exemption to use 30 off-duty officers at the same show (CES). He also stated that he supported Mr. Theel's request.

Chairman Marcher said Mr. Revilla was welcome to speak, but Mr. Theel's request would be handled separately from Mr. Revilla's.

TY NEUHARTH asked for a distinction on whether the people Mr. Theel would be bringing to Nevada would be considered peace officers or police officers. She noted that Mr. Theel said these officers would have no jurisdiction in Nevada. She asked when a security officer stops being a security officer and begins to react as a police officer. She said there needed to be a clarification made. She said the distinction could affect existing licensees.

Executive Director Ray said the exemptions were granted by the board on a case-by-case basis.

Ms. Neuharth asked if current licensees could also petition the board to use peace officers or police officers as security, also.

Board Member Crate said the distinction in the Administrative Code stated that the exemption could not cause a conflict of interest for an individual with his/her responsibilities to his public employer in the jurisdiction from which they are coming and his/her duty to discharge them. He said the distinction was between Nevada peace officers versus out-of-state peace officers. He said the exemptions were given on a case-by-case, temporary basis. He said a reasonable need must be established to have an exemption granted.

Ms. Neuharth noted that people could come before the board every quarter to ask for an exemption for various shows.

Board Member Crate said that 15 people had been requested to manage the continuity of service.

Board Member Gonzalez asked Ms. Neuharth for her name, as she had not previously identified herself. She stated her name and license numbers, 1272 and 1272a.

Chairman Marcher asked if there were more comments.

JOHN STRACHAN spoke from Las Vegas. He noted that there were ample qualified people in Nevada and did not believe SOA needed to bring in out-of-state people to work at the show.

Mike Kirkman stated that he wanted to make a comment. It was noted by Chairman Marcher that Mr. Kirkman was referring to Item 38. Mr. Kirkman said he would reserve comment until that item was visited.

Board Member Crate said the issue arose previously. He said Mr. Theel presented his case twice. Board Member Crate said he was comfortable that the

issue had less to do with the status of peace officer as with the necessity to perform the function and continuity of business. He said the employees had an established work record with employer and the status of peace officer was secondary.

Board Member Gonzalez noted that the sheriff's office in Las Vegas was going to allocate off-duty officers for the JCK Show, but couldn't guarantee the employees when pressed.

Board Member Spencer asked if Mr. Theel had canvassed the state for retired police officers.

Mr. Theel said his company did run ads on a daily basis. He said they received little or no interest from retired law enforcement personnel.

He said he would return to the board in December 2006 to request an exemption for the jewelry show.

Chairman Marcher asked for a motion.

Board Member Crate moved to grant the allowance of SOA Security employees up to 15 out-of-state police officers from January 4-13, 2007 for service specifically related to the Consumer Electronics Show, subject to all statutory and regulatory requirements, as provided by NAC 648.338.

Board Member Gonzalez seconded the motion. As there was no further discussion, the motion carried.

JOSE REVILLA of O & R Protective Services, inc., Item 38, asked the board to grant an exemption for approximately 30 off-duty officers from California and an

exemption to bring a captain and a sergeant from LASD to manage new accounts in Reno and Las Vegas.

Board Member Spencer asked Mr. Revilla to elaborate on the second portion of his request.

Mr. Revilla said the captain and the sergeant were both full-time employees with his company in California.

He said their division at the sheriff's department had shifts of three 12-hour days. He said that allowed the employees to work their days off with O & R and they were not necessarily standing post. He said his business was growing in Nevada. He said these two individuals had no jurisdiction in the state of Nevada. He said they were not requesting that they carry firearms. He said they would obtain a sheriff's card, work card and firearms permit as requested.

He stated a reality check was occurring for the security sector of Las Vegas. He said Las Vegas was now at the same level as Los Angeles or New York with security requirements, but the population was nowhere near the same level. He said it was difficult to obtain qualified people. He said as conventions and the need for security elevated, there was a need for qualified people, who were usually in law enforcement. He mentioned complaints about the level of security offered in Las Vegas. He said there was a necessity for the security employees to not be at retirement age. He said in Los Angeles, where he provides security for special events, he said most employees don't work 40-hour weeks. He said the same was true in Las Vegas. He said it was a good time to start planning for long-term solutions for security needs.

Board Member Crate asked if Mr. Revilla proposed that he would pay the two individuals \$12-\$15/hour.

Mr. Revilla said he absolutely would not do so.

Board Member Crate asked what they would be paid and Mr. Revilla said it would be three times that much.

Board Member Crate questioned Mr. Revilla's statement that he could not find qualified people for less than \$12-\$15/hour.

Board Member Crate asked if he had offered to pay three times those amounts.

Mr. Revilla said he had been trying to recruit people with newspaper ads. He said he was unable to find qualified people at the level the clients requested.

Board Member Crate asked which clients asked Mr. Revilla to restrict employees of retirement age.

Mr. Revilla said the requests were coming for folks who were not at retirement age. He said clients could give him parameters to follow.

Board Member Crate asked if Mr. Revilla had already secured a commitment for the Consumer Electronics Show.

Mr. Revilla said he had.

Board Member Crate asked how many employees Mr. Revilla would be using at that show and he said between 75 and 100 employees from his company.

Board Member Crate asked what efforts Mr. Revilla had made to try to recruit qualified people in Nevada. He said he had recruited employees at casinos on a constant basis.

Board Member Crate noted that many of those people were of retirement age.

Mr. Revilla said that was true and he did know of retirement-age personnel who performed their jobs well. He said the Las Vegas security “scene” and specifically, the Las Vegas Convention Center, utilized people who were basically sitting at their posts and not required to perform much physical activity. He said the requirements were changing and some of the most important people in the world would be visiting Las Vegas. He said the current security people could not perform VIP services.

Board Member Crate asked why the board should approve his requests. He said it sounded as though the clients were making specific requests, such as currently employed peace officers in a certain age bracket.

Mr. Revilla said that was not correct. He said the clients were asking to employ security officers and he was making the choice to reach out to peace officers. He said they had no jurisdiction in Nevada. He referred to Board Member Crate’s previous statements that these employees just happened to be peace officers. He said the posts they would be working would be as unarmed guards. He said many casinos do not allow armed guards in their establishments. He restated that the reality check needs to be addressed soon. He said there weren’t enough qualified people. He said he and Executive Director Ray had attended a meeting where the Las Vegas Convention Center had scolded 15 other companies for insufficient security (not enough security personnel and quality of people not acceptable). He stated that the quality of security was not high enough in Las Vegas. He said his request for an exemption was a direct result of that meeting. He said that it was not an easy task to bring 30 employees from other states and

provide their needs. He said he did it to insure the requests of the clients were met.

Board Member Spencer said the issue had two separate points and should be dealt with as separate.

Chairman Marcher said the issues could be addressed separately by the board and then asked for further public comment.

Senior Investigator Botello said he felt there was a distinction between SOA's request and Mr. Revilla's request. He said SOA completely understood and did its best to register all employees, obtain necessary firearm cards, CCW permits, and the like. He said that in Mr. Revilla's case that people must be properly registered, they must have the proper work cards, and they must have the proper firearm cards.

Board Member Crate said he would also add that there was a significant difference between the two requests. He said the employees requested for exemption by SOA had a pre-existing, necessary function that had less to do with their role as a peace officer status than their ability to contribute to the continuity of the job. He said less than 7% of the workforce would be used. He further stated that he had been recruiting workers in Nevada for 20 years and that he had not limited himself to going to casinos to find employees. He had monitored newspapers and want ads. He said he was not aware that O & R had made any great efforts to draw attention to the company as a temporary security employer. Board Member Crate also stated that a great density per population of retired peace officers lived in Las Vegas. He said that Mr. Revilla's request had not been

established as necessary. He said that the issue may be more related to money. He said the employees O & R were seeking were available in Nevada. He questioned why the employees needed to be peace officers. He mentioned that the peace officers for which Mr. Revilla was seeking an exemption may not be any better at security than the people who had received the tongue-lashing at the meeting Mr. Revilla mentioned earlier in Las Vegas.

Mr. Revilla said that the employees were not to be used as peace officers. He said the employees did have experience to insure that some of the most important computer industry people in the world would attend the CES Show and high quality security was necessary. He said the individuals also brought their own security. He said the head of CES wrote a letter of complaint to the Las Vegas Convention Center about lax security. She had praised O & R in that same letter for their work. He said he disagreed with Board Member Crate and that there were not enough qualified people available to do security work in Las Vegas.

Board Member Crate asked why Mr. Revilla couldn't duplicate what he had done the previous year.

Mr. Revilla said that he only had 25 people last year, but the number needed to increase rapidly as demands increased. He said that 700 posts were a lot to handle. He said a team of people was needed, including out-of-state employees, to perform adequate security. He said he would prefer local employees with respects to housing and transportation because that would actually be easier for him, and he was not requesting the exemption for convenience. He stated that he

also was encountering the issue of continuity. He was licensed in both California and Nevada. He said that Microsoft hired his company to provide security in California and would like to do the same in Nevada.

Board Member Crate posed a question to Mr. Revilla in the case of Microsoft. He asked if O & R provided off-duty peace officers in California and Microsoft didn't like the caliber of employees in Nevada, would he expect the board to grant him an exemption.

As Mr. Revilla didn't understand the question, Board Member Crate asked him what Mr. Revilla's justification would be for not having a ready pool of personnel. He further stated that O & R should not have a self-imposed limit of personnel and expect the board to allow an exemption to hire as many people as needed. Mr. Revilla said in California he would be correct.

Chairman Marcher said the request needed to be divided into two separate parts and asked for further public comment.

GINA CROWN said that for informational purposes, she held both a private patrolman license and a private investigator license. She said she could easily meet the requirements of O & R.

JOHN STRACHAN said he also had both a private patrolman license and a private investigator license. He said he would also entertain requests for security officers at the rate of salary O & R was willing to pay.

Chairman Marcher asked that the focus remain on the request at hand for 30 off-duty officers for CES on a temporary basis.

Board Member Crate moved that the request be denied as sufficient policy had not been established.

Board Member Spencer seconded the motion.

Board Member Spencer and Board Member Crate voted “aye” on the motion.

Board Member Gonzalez voted “nay” on the motion.

Chairman Marcher noted that the request for that part of the exemption had been denied.

Chairman Marcher then addressed the second portion of the request of an exemption for a captain and a sergeant to manage new Nevada accounts.

He asked for further public comment or questions.

John Strachan said he takes exception to the request and wondered if the job search had been handled correctly. He said he could find qualified people in Nevada who could handle any request made by Mr. Revilla.

Mike Kirkman said he didn't believe it was necessary to bring law enforcement people from California to Nevada to manage new accounts. He also believed the employees would be “absentee” managers who would not actually reside in Nevada to manage the accounts.

GINA CROWN spoke and gave her support to Mr. Kirkman's statements.

Board Member Gonzalez asked for clarification regarding whether or not there would be parameters in place for the exemption with regards to a time-frame to a specific contract or if the use of the managers would be on-going.

Mr. Revilla said that it would be on-going.

Board Member Spencer said he was less concerned about the officers coming to Nevada and more concerned about the managers. He said they would be absentee managers. He further stated that he believed there were people in the state of Nevada or within O & R who were not law enforcement who could fulfill the managerial duties.

Board Member Crate asked if Mr. Revilla wanted to further state his case, but Mr. Revilla said he would not make any further statements. He also said he would file a complaint and he wished to withdraw his support of the exemption for SOA that had been granted earlier in the meeting. He said it was unfair to allow an exemption to SOA but not to O & R.

Board Member Crate said that for the record, there were totally different reasons and justifications given between the two companies for the exemptions requested.

Mr. Revilla said he disagreed with that statement.

Board Member Spencer said he respected Mr. Revilla's feelings. He further stated that he knew there were qualified people in northern Nevada. He said he was not sure where the retirement age began and ended.

Mr. Revilla said retirement-age people were great employees, but were not a part of his company at the present time. He noted that many retirees do not own computers, which was where most of O & R's advertisements appeared.

Board Member Spencer said he knew of few licensees who were computer-illiterate. He noted that future exemptions requests must show legitimate attempts to hire employees in Nevada before the request is made.

Mr. Revilla said he would like for Mr. Theel to show that as well. Board Member Spencer said there were two different issues.

Mr. Revilla said the exemption requests were exactly the same for the same show. He felt he had higher standards than Mr. Theel for the people he would hire. He felt the board was requiring a higher standard for O & R than for SOA. He said he was unable to hire in Nevada the quality of people he wanted in terms of physical capabilities as well as expertise for O & R.

Board Member Spencer said that by Mr. Revilla's statements, he had given no consideration to Nevada retired peace officers. He said Mr. Revilla had not taken the time to attempt to hire local people.

Mr. Revilla said he had an on-going advertisement on Craig's List, as well as other outlets, for employees.

Board Member Spencer asked if he advertised in newspapers and Mr. Revilla said he absolutely did.

Board Member Spencer asked if Mr. Revilla had contacted licensees in Nevada to inquire if they had employees to assist him.

Mr. Revilla said no licensees had contacted him, even though his exemption request was on the board's agenda, telling him they had employees that O & R could contact. He further stated that he had not come to steal work from Nevada companies. He said he did appear before the board to say he and Ms. Ray had sat with 14 other heads of companies and were scolded for poor security provided at Las Vegas shows. He said only he and Mr. Theel had responded to that meeting.

Board Member Spencer asked Executive Director Ray how many private patrolman licenses existed in Nevada and she said around 200.

Mr. Revilla noted that not all those companies worked at the Las Vegas Convention Center.

Board Member Spencer said Mr. Revilla should make a more earnest attempt to hire Nevada people.

Chairman Marcher asked Mr. Revilla when the show was scheduled and he said in January 2007.

Chairman Marcher said there was no point in debating the matter further at that point. He noted that Mr. Revilla could appear at the December 2006 board meeting.

Mr. Revilla said he would provide more information on his efforts to hire Nevada locals at that time. He noted that the December meeting would pose a problem, since the show was in early January 2007.

Chairman Marcher said the board could call a separate meeting to address the issue prior to the December 2006 meeting.

Mr. Revilla said he felt the issue was important enough to call for a separate meeting.

Chairman Marcher noted that Mr. Theel had to appear before the board more than once to obtain an exemption. He said Mr. Revilla must show that he had exhausted all efforts to hire Nevada employees first before his exemption was granted. He said he would be willing to call a special meeting before December,

which would probably be in the form of a phone conference. He then asked for a motion.

Board Member Crate said no one was trying to put up obstacles for Mr. Revilla to do business in Nevada. He asked Mr. Revilla to provide a clear profile of the employees he was attempting to hire, along with the reasons and justifications for that profile. He felt Mr. Revilla should re-evaluate the number of people he was requesting and that he understood Mr. Revilla's passion and belief that he could not find employees in Nevada. He also wanted Mr. Revilla to re-evaluate the number of people he was requesting to see if such a number was really necessary.

Board Member Spencer told Mr. Revilla that the board had only been allowing this type of exemption in the past year and at no time before that.

Chairman Marcher said policy might need to be developed to handle the issue.

Board Member Crate moved that second half of the exemption asking for a captain and a sergeant from LASD to manage new accounts in Reno and Las Vegas, for the same reasons as previously discussed be denied.

Board Member Spencer seconded the motion.

Board Member Gonzalez noted that he might have been more inclined to agree with the second request if more consistency had been shown.

The motion then carried.

Chairman Marcher began discussion on Item 34, which involved discussion and possible approval of language regarding a proposed regulation change to NAC 648.265.

Executive Director Ray said the item had been placed on a workshop agenda at the last meeting. She said there had not been much discussion on it. She said she had placed the matter on the agenda again to see if there was any board interest in making a change in the regulation and going forward with it.

FRANK PETRASICH, of Blue Tree Services and AbsoluteHire, commented on the agenda item. He said over a year ago, he wanted to use the services of a particular vendor, AbsoluteHire, who provided products to enhance his business operations. He said that company was required to become licensed in the state of Nevada because they perform pre-employment background screening. He said he could not use their services as a vendor. He said they provided job application process software. He said the entire application process, including the background screening, could be completed online. He said the process would eliminate all but the in-person interview. He said the data would be downloaded into each applicant's personnel file. He said he could not represent AbsoluteHire as a corporation and his own companies as well in Nevada. He felt there was no logical reason for that and it was time to recognize that the world was shrinking. He stated that it was protection for the people of Nevada to have an actual licensee who answered to the board, knew the statutes, and maintained an office in the state. He noted that he would require no additional staff to work for both companies. He said there was no record of why the regulation was changed in 1987. He felt he should not be prohibited from representing two companies at the same time.

Chairman Marcher said the purpose of the agenda topic was to learn if the board wished to see proposed language created for a potential regulation change.

Mr. Petrasich noted that he had provided language at the workshop.

Executive Director Ray said she had included the document Mr. Petrasich had provided previously in the information for today's meeting.

Chairman Marcher said he would be more comfortable with language provided by staff to be used in any regulation change for the next meeting.

Executive Director Ray wanted to know if the board was interested in moving forward with a potential regulation change.

Chairman Marcher agreed with Executive Director Ray. He asked the board if the regulation needed to be fixed. He asked if there was a motion direct staff to prepare potential language for a regulatory change or

As there was no additional comment, Chairman Marcher said the item may be placed on agenda for future consideration.

Item 40 involved discussion regarding the Declaratory Order issued in 1997 as it related to tenant screening in Nevada.

WILLIAM THOMAS received a cease and desist order with regards to service he was providing. He said the cease and desist order mentioned tenant screening and pre-employment screening. He said he was unaware that a license was required in Nevada to provide these services. He said the tenant screening involved people entering into credit contracts with others who would be leasing properties. He said the purpose was not to establish monthly rental amounts, but rather for the entire term of the lease. He said once he received the cease and

desist order, he had sent a letter to Executive Director Ray explaining what he had done and what he planned to do. She then sent him a Declaratory Order and further asked him to cease and desist. He then removed his webpage from the internet. He said he no longer solicited to do that business. He said the Declaratory Order was written in 1997 and many changes had happened since that time, particularly with the internet. He noted that anyone with a permissible purpose could access information via the internet. He said his customers and clients had a permissible purpose for pulling information. He said Nevada required a private investigator license to perform this work. He said he was not a private investigator, in that he did not follow people, do not track movements. He said he provided information to clients and they make their own decisions. He said the clients sign off giving permission to pull the information. He said there were no surprises and all parties involved in the process were aware of what was happening with the information at all times. He noted that at the time the Declaratory Order was written, the internet had not evolved into its current form and use. He believed the Order needed to be re-visited.

Chairman Marcher acknowledged that technology had changed, but the statutes and regulations had not. He did not feel the regulation needed to be revisited with the court, as the judge's decision would be the same. He noted that mystery shoppers were not private investigators, either, but still fell under the need to obtain such licensing to perform their work. He said Mr. Thomas should go to the legislature and have tenant screeners carved out of the chapter and, therefore, the need to obtain private investigator licenses. He said the other option was to

be cited, appeal that citation to the board, and if the board upheld the citation, which would open the matter to district court and then the Supreme Court. He said Mr. Thomas's local legislator could propose a bill draft on the matter. He further stated that the board was limited to what the laws stated at the current time.

Mr. Thomas spoke about his inability to obtain a private investigator license, as he was not linked to law enforcement, but had been working in the credit industry for 15 years. He said he had no hours in actual private investigations as required by the state regulations. He noted he had spoken with Executive Director Ray and Senior Investigator Botello.

Chairman Marcher asked Mr. Thomas what he wanted the board to do.

Mr. Thomas said he was looking for direction, as the cease and desist order was greatly harming his business.

Chairman Marcher said the board was unable to grant him an exemption.

Executive Director Ray said he should obtain a qualifying agent and obtain a license.

Chairman Marcher reminded Mr. Thomas to approach the legislature, and he said he would.

Item 41 asked for approval for Executive Director Ray to create a new classified position in Las Vegas to begin the process to hire for that position.

Executive Director Ray said she wanted to hire a compliance officer/investigator for the Las Vegas office. She felt Investigator Farmer's time would be better

spent on investigations regarding unlicensed activity complaints, rather than compliance checks at the Las Vegas Convention Center.

Board Member Spencer asked if the budget would allow for a new position.

Executive Director Ray said it would, that the job would be a classified position, a non-sworn position, Grade 28, and the salary would be \$45,000-\$52,000 per year.

Board Member Crate asked if the position was not another investigator. She restated that the position was non-sworn. She said the title would be either Compliance Officer or Compliance Investigator.

Board Member Spencer asked the difference between salary of the Compliance Officer and that of an investigator.

Senior Investigator Botello said there was a \$15,000 difference.

Board Member Spencer asked if a second investigator would need to be hired, who could be used as needed to perform compliance checks.

Executive Director Ray said that perhaps, at some point, both positions could be hired.

Board Member Crate said a new employee would be helpful to provide administrative assistance to Investigator Farmer. He asked Executive Director Ray what other duties the new employee would perform other than compliance checks.

Executive Director Ray said the new employee could assist with audits and compliance checks. She felt that providing support staff to Investigator Farmer was also necessary.

Senior Investigator Botello asked if the position needed to be a Grade 28 and Executive Director Ray said it did.

Senior Investigator Botello asked if the salary could not start at a lower level. Executive Director Ray said that was not possible, unless the position were strictly administrative only.

Board Member Crate asked for clarification on classified employees versus unclassified employees.

Chairman Marcher explained that he was an unclassified employee himself and served at the pleasure of the Attorney General. He said leave is taken differently for unclassified employees. He said an unclassified person would work at the pleasure of the board.

Executive Director Ray said she would work with Personnel to go through the process and work with a budget analyst. She said she proposed the title of Compliance Officer.

Senior Investigator Botello noted that he had traveled to Las Vegas frequently to perform compliance checks and it was very time consuming. He felt time would be better spent if a Compliance Officer could handle those needs.

Board Member Crate asked what would occur should the new employee uncover a violation.

Executive Director Ray said if a violation occurred, the Compliance Officer could issue that, as Ms. Ray herself handled such matters. If unlicensed activity occurred, the case would be turned over to Investigator Farmer.

Board Member Spencer noted that 196 pending complaints had been received by the staff.

Board Member Crate moved to approve the item as presented, for Executive Director Ray to create a new classified position in Las Vegas and to begin the process to hire for the position.

Board Member Gonzalez seconded the motion, which carried.

Chairman Marcher said Item 42 would be discussed later in the meeting.

Chairman Marcher asked if there was any public comment. As there was none, he asked for a motion to adjourn.

Board Member Spencer moved to adjourn.

Board Member Gonzalez seconded the motion, which carried.

Chairman Marcher said the Board would return to Item 42, which was Public Comment. He then proceeded to the Hearing scheduled after the Board items were completed on the agenda.

**HEARING FOR THE TEMPORARY ADOPTION
OF AMENDED REGULATIONS OF
THE NEVADA STATE PRIVATE INVESTIGATORS LICENSING BOARD**

September 20, 2006

Chairman Marcher opened the public hearing to receive comments regarding the amendment of regulations pertaining to Chapter 648 of the NAC, LCB file #R166-06. He clarified that it mainly concerned polygraph examiners. He asked if there was any public comment. There was none from Las Vegas.

Executive Director Ray said she had received one written comment.

Board Member Gonzalez said it was a very basic request to bring the Administrative Code forward to address modern technology. He said the regulation itself was not being changed.

Chairman Marcher asked Board Member Gonzalez if he was comfortable with the way the proposed change was written and he said he was.

Chairman Marcher asked for further comments. As there were none, he asked for a motion.

Board Member Spencer moved to adopt the language as presented.

Board Member Gonzalez seconded the motion, which carried.

Chairman Marcher said the language had been adopted.

Board Member Spencer thanked Board Member Gonzalez and Executive Director Ray for their work on the proposed language.

Chairman Marcher closed the hearing portion of the meeting.

Public Comment:

Chairman Marcher asked for public comment, as it was the final agenda item from the Board meeting. As there was none, he entertained a motion to adjourn.

Board Member Spencer moved to adjourn.

Board Member Crate seconded the motion to adjourn, which carried.