

#### <u>Supplement to Private Investigators Licensing Board Report</u> <u>submitted in compliance to Executive Order 2023-03</u>

#### Section 1- Comprehensive Review of Regulations

The Private Investigators Licensing Board ("Board") has identified the following regulations below that we believe can be streamlined, clarified, reduced, or otherwise improved to ensure those regulations provide for the general welfare of the State without unnecessarily inhibiting economic growth. The pertinent regulations are highlighted:

### <u>1. NAC 648.140</u>

1. NAC 648.140 Executive Director: Duties. (NRS 648.025, 648.030) The Executive Director shall:

1. Prepare the agenda for the meeting under the supervision of the Chair and considering the suggestions of the members;

2. Forward a copy of the agenda to each member of the Board not later than 15 days before the scheduled date of the meeting;

3. Give an account of all money received by the Board at each meeting;

4. Keep a record of each meeting and make copies of the minutes available to each member of the Board; and

5. Preserve the record of each meeting as a state record[-;]; and

6. Shall serve as the custodian of records for the Board.

2. The Board recommends the proposed modifications. The modifications will add to the duties of the Executive Director to serve as the custodian of records for the Board in an effort to improve the records request process.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/ written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification. The beneficial effects include improving the public records requests process for licensees and general members of the public at no additional expense.

#### <u>2. NAC 648.260</u>

### 1. NAC 648.260 Qualifying agents for corporations; background investigations. (NRS 648.030)

1. A person who holds a license may change his or her status to that of a qualifying agent for a corporate licensee without taking the written examination, if the transfer is within the same category of license. The Board may require a background investigation of any person whose status has changed pursuant to this section if:

(a) The most recent background investigation was completed more than 18 months before the change in status; or

(b) There has been any complaint filed against the person with the Board.

2. If a person who is applying for a license for himself or herself previously held a license in the same category and [surrendered it] placed it *in abeyance* to become a qualifying agent for a corporation, the Board may require a background investigation if:

(a) The most recent background investigation was completed more than 18 months before the person applied for the license for himself or herself; or

(b) There has been any complaint filed against the person with the Board.

2. The Board recommends the proposed modification and omission. The modification and omission will clarify the requirement for a background investigation if a license holder has had their individual license placed in abeyance.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

# <u>3. NAC 648.265</u>

# 1. NAC 648.265 Limitations on qualifying agents for corporations. (NRS 648.030, 648.120)

## "Qualifying agent" means a person who:

1. Has been approved by the Board to represent and work for a corporate licensee; and

2. Is responsible for:

(a) Managing the corporate licensee in this State, including, without limitation, management of the:

(1) Daily operations of the corporate licensee; and

(2) Conduct and professionalism of the staff of the corporate licensee;

(b) Executing and completing all necessary documents to maintain the good standing of the corporate licensee in this State;

(c) Carrying out all provisions of this chapter and chapter 648 of NRS;

(d) Complying with all lawful and responsible orders of the Board; and

(e) Acting as an advisor for the management of the corporate licensee.

1. After August 15, 1981, the Board will not approve any application by a person to become a qualifying agent in the same category of license for more than one corporation. Any person whom the Board has approved before that date as a qualifying agent for two or more corporations may continue to serve each such corporation so long as the person does not terminate affiliation with it.

2. Any person who holds a license issued by the Board must [surrender] place that license for [cancellation or to be held] in abeyance before the Board will approve the person's application to become a qualifying agent for a corporate license in the same category of license.

3. Any person who has been issued an identification card as the qualifying agent for a corporate licensee must surrender that card to the Board for destruction before the Board will approve the person's application for a license for himself or herself or return the person's license [held]-placed in abeyance.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will clarify the requirement of a license holder to place their license in abeyance instead of surrendering it to become a qualifying agent for a company. Moreover, the proposed language will clarify the role of a Qualifying Agent.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. Ms. Spring Cargill expressed concerns unrelated to the modification of the regulation. In particular, she inquired about what would happen if a company did not want the Qualifying Agent to be involved in the day-to-day operations of the company. She was advised to consult with the Executive Director after the meeting. No other member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

## <mark>4. NAC 648.310</mark>

## 1. NAC 648.310 Examinations. (NRS 648.030, 648.100)

1. [The Board] *Examinations* will [prepare examinations and may designate one or more police officers or other law enforcement officials to administer them.

- 2. Examinations will be given] be:
- (a) Prepared and administered by the Board; and

(b) Administered in January, April, July and October of each year [.], and at any other time prescribed by the Board. [3.] 2. The Executive Director shall fix the time, date and place for each examination.

[4.] 3. Except as otherwise provided in subsection [5,] 4, examinations will be administered simultaneously to all applicants whether or not the examinations are being given at one location or more than one location.

[5.] 4. Field examinations for licensing as canine security handlers and trainers will not be administered at the same time as written examinations are being given.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will establish who will conduct the examinations for licensure and allow for additional examinations throughout the year in an effort to expedite the licensure process.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

## <u>5. NAC 648.330</u>

# 1. NAC 648.330 Holding of license in abeyance; investigation of certain licensees who voluntarily place license in abeyance before return of license to licensee. (NRS 648.030, 648.120)

1. If a licensee or an applicant is or becomes employed as a peace officer, as defined in <u>NRS 169.125</u>, or by a federal, state or local law enforcement agency, or in a position which makes him or her eligible to contribute to any public employees' retirement system and the Board finds that his or her private activities as a licensee create or would tend to create:

(a) A conflict of interest with his or her responsibilities to the public employer and his or her duty to discharge them; or

(b) The possibility of a use of his or her position with the public employer for personal advantage in the private activities,

 $\Box$  the Board will hold his or her license in abeyance for as long as he or she continues to have those responsibilities or serve in that position. Except as otherwise provided in subsection 2, a licensee may not engage in licensed activities while his or her license is being held in abeyance.

2. Except as otherwise provided in this subsection, a licensee who is the qualifying agent for a corporate licensee pursuant to <u>chapter 648</u> of NRS [may] *shall* have his or her license placed in abeyance [as long as he or <u>she refrains</u>] and refrain from engaging in licensed activities independent of his or her status as a qualifying agent. A licensee who became a qualifying agent before January 1, 1985, may have the license that is in the same category as his or her status as a qualifying agent placed in abeyance for as long as he or she retains such status. If the Board finds that a licensee's status as a qualifying agent creates or would tend to create:

(a) A conflict of interest with his or her responsibilities to the public employer and his or her duty to discharge them; or

(b) The possibility of a use of his or her position with the public employer for personal advantage in the private activities,

 $\Box$  the licensee may no longer act as a qualifying agent for the corporation.

3. A licensee whose license is held in abeyance pursuant to subsection 1 or 2, must surrender the license to the Executive Director of the Board. If the provisions of subsection 1 or 2 no longer require that a license be held in abeyance, the Executive Director shall return the license to the former holder. The Executive Director may consult with the Board before making this determination.

4. If a licensee who is not in the situation described in subsection 1 or 2 wishes to have his or her license held in abeyance, he or she may voluntarily [surrender the license to the Executive Director, who will hold] place it in abeyance for any period specified by the requester, not exceeding 3 years. The Board may, upon request, grant an extension of the 3-year period if it finds that good cause warrants the extension. The Board will conduct an investigation of each licensee who, at the time he or she requests the return of the license held in abeyance pursuant to this subsection:

(a) Is not a qualifying agent of a corporation licensed by the Board;

(b) Is not working pursuant to any other license issued to him or her by the Board; or

(c) Is not employed as a peace officer, as defined in <u>NRS 169.125</u>, or by a federal, state or local law enforcement agency, or in a position which makes him or her eligible to contribute to any public employees' retirement system and the Board believes that his or her private activities as a licensee create or would tend to create:

(1) A conflict of interest with his or her responsibilities to the public employer and his or her duty to discharge them; or

(2) The possibility of a use of his or her position with the public employer for personal advantage in the private activities.

□ The Board will, upon completion of its investigation, notify the licensee whether the license will be returned.

5. The Board will not hold the license of an intern in abeyance.

6. A license which is <del>[being held]</del> in abeyance pursuant to this section must be renewed in accordance with the provisions for such licenses set forth in <u>chapter 648</u> of NRS.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will clarify the expectation of a license holder to place his or her individual license in abeyance to become a qualifying agent for a corporate license holder and refrain from engaging in licensed activities independent of his or her status as a qualifying agent.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

# <u>6. NAC 648.338</u>

### 1. NAC 648.338 Employment of unlicensed persons: Restrictions; exemption. (NRS 648.030, 648.140)

1. Except as otherwise provided in subsection 2, a licensee may not employ an unlicensed person who is or becomes employed:

(a) As a peace officer, as defined in <u>NRS 169.125;</u>

(b) By a federal, state or local law enforcement agency; or

(c) In a position which makes the unlicensed person eligible to contribute to any public employees' retirement system.

2. Upon receipt of a written request for exemption, the Board may grant an exemption from the prohibitions set forth in *paragraph (a) or (b) of* subsection 1, *or the Executive Director of the Board, or his or her designee, may grant an exemption from the prohibition set forth in paragraph (c) of subsection 1,* if the Board *or Executive Director, or his or her designee, as applicable,* finds that the private activities of the unlicensed person on behalf of the licensee would not create or tend to create:

(a) A conflict of interest with his or her responsibilities to the public employer and his or her duty to discharge them; or

(b) The possibility of a use of his or her position with the public employer for personal advantage in his or her private activities.

2. The Board recommends the proposed modifications. The modifications will give authority to the Executive Director or designee to grant an exception for a work card to an unlicensed person eligible to contribute to any public employee's retirement system expediting the work card application process by preventing them from having to wait to attend a Board meeting.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. Mr. Mark Zane stated that this amendment should include the requirement of the Executive Director to provide a report to the Board during the next regularly scheduled Board meeting so that the exemptions become part of the public record. No other member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

## <mark>7. NAC 648.3385</mark>

1. NAC 648.3385 Employment of unlicensed persons: Registration requirements; duties of licensee; interpretation of "employed by." (<u>NRS 648.030</u>, <u>648.060</u>, <u>648.140</u>, <u>648.1495</u>)

1. A licensee shall not employ a person unless the person employed by the licensee is provisionally registered or registered. A licensee shall immediately terminate the employment of a person employed by a licensee if the

Board notifies the licensee that the Board has denied, suspended or revoked the provisional registration or registration of the person.

2. If a person applies for employment with a licensee, the licensee or a designated employee of the licensee shall review the system of records maintained by the Board pursuant to <u>NAC 648.3435</u> to determine whether the person is registered, is provisionally registered or has had his or her registration or provisional registration denied, suspended or revoked.

3. If a licensee determines that the person is not registered or provisionally registered, and is not subject to denial, suspension or revocation, the licensee must instruct the person to:

(a) Complete the application for registration;

(b) Obtain [two] *a* complete sets of fingerprints or provide a receipt for electronic submission of fingerprints to the Board;

(c) Pay all applicable fees; and

(d) Unless otherwise instructed by the Board, submit the application for registration to the Board.

4. If a licensee determines that the provisional registration or registration of a person who applies for employment with the licensee has been denied, suspended or revoked by the Board, the licensee shall notify the applicant that he or she must contact the Board to obtain information concerning the denial, suspension or revocation.

5. Each licensee shall maintain a [passport size photograph of] copy of the work card issued by the Board for each person employed by the licensee. The licensee shall retain the [photograph] copy for not less than 5 years after the last date on which the person is employed by the licensee. The [photograph] copy may be in the form of a photograph or may be digitally stored, but the [photograph] copy must be capable of being reproduced and available at the request of the Board. 6. Any person who violates the provisions of this section is subject to disciplinary action by the Board.

7. A licensee shall maintain written documentation establishing that the licensee received an application from each applicant for employment before accessing the Internet website established pursuant to <u>NAC 648.3435</u> for at least 4 years after the date of receipt of the application.

8. The Board will interpret "employed by" as used in this section and <u>NRS 648.060</u> to include a person who performs the same duties as an employee.

2. The Board recommends the proposed modifications. The modifications will only require a person applying for a registered work card to submit one set of fingerprints instead of two. Proposed language will also require the license holder to maintain a copy of the registered work cards of their employees in their records.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

## <u>8. NAC 648.341</u>

1. NAC 648.341 Examination: Administration; verification of passing score. (<u>NRS 648.030</u>, <u>648.140</u>) Before a licensee employs an unlicensed person, <u>[a private patrol officer or security guard who is licensed by</u> the Board] the licensee must <u>[:</u>

1. Administer an examination provided by the Board and] ensure that the unlicensed person [passes] has passed the examination *described in NAC 648.342* with a score of 100 percent. [;

2. Verify that the unlicensed person has passed an examination administered by the Board with a score of 100 percent; or

# 3. Verify that the unlicensed person has passed an examination administered by another licensee within the immediately preceding 60 months with a score of 100 percent.]

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will streamline the requirement for a licensee to ensure the unlicensed person has passed the examination prior to employing them.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. Ms. Lori Irizarry asked whether all work card applicants would be required to take the exam and if a fine would be assessed if an audit was to find employees working without completing the exam. No other member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

### <mark>9. NAC 648.342</mark>

### 1. NAC 648.342 Examination: Scope. (<u>NRS 648.030</u>, <u>648.140</u>)

The examination [provided] must be:

1. Provided by the Board [and administered by the licensee must be designed];

2. Administered by the Board or its designee; and

*3. Designed* to ensure that each registered employee has a familiarity with and a thorough understanding of core topics, and must include, without limitation:

[1.] (a) Recognizing noncompliance with specific laws, including, without limitation, NRS 171.126, 199.310, 199.430, 207.200, 648.013, 648.016, subsection 5 of NRS 648.030, NRS 648.060, 648.063, 648.140, 648.160, 648.200 and 648.203;

**[2.]** (b) Recognizing noncompliance with specific regulations, including, without limitation, subsection 3 of NAC 648.334, NAC 648.338 and subsection 5 of NAC 648.431;

[3.] (c) General rights of citizens;

- [4.] (d) Powers of arrest; and
- [5.] (e) Limits of authority.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will clarify who is responsible for ensuring each registered employee has passed the examination.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

## <u>10. NAC 648.343</u>

1. NAC 648.343 [Date of examination of employee to be recorded on Internet website for system of records; duties of licensee; proof that employee passed examination] *Audit.* (*NRS* 648.030, 648.070,648.135, 648.140, *NAC* 648.3385, *NAC* 648.525, *NAC* 648.530)

[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 <u>NAC 648.3435</u> within 5 business days after the date of the examination].

1. [2. The licensee shall keep a copy of the results of the examination on file for 60 months after the date of the examination.] The Board may audit the records of the licensee *to ensure compliance with this chapter and chapter 648 of NRS*.

2. The records described in subsection 1 may include, without limitation, copies of:

(a) Industrial insurance;

(b) Filings regarding workers' compensation;

(c) Business records or filings conducted in the normal course of business;

(d) The state business license of the licensee;

(e) Any advertisement or written communication as described in NAC 648.525;

(f) Records concerning payroll;

(g) Unemployment reports;

(h) The work card for each employee of the licensee; and

(*i*) Color photographs that accurately depict the uniform, badge, patch, logo or marked vehicle of a licensee as described in NAC 648.530;

3. The audit may be conducted by the Board at the location of the licensee or at the office of the Board.

4. A licensee shall make any records requested by the Board available within 30 calendar days of the request.

5. Failure of a licensee to furnish the information necessary to conduct an audit constitutes grounds for:

(*a*) *A fine up to* \$5,000.

(b) Disciplinary action before the Board. [The licensee shall notify the Board through the Internet website established pursuant to <u>NAC 648.3435</u> within 10 days after the licensee terminates the employment of an unlicensed employee.

<u>3.</u> As proof that an unlicensed employee has passed the examination with a score of 100 percent, a licensee may accept a card issued for that purpose by the Board to the unlicensed employee which contains the results of the examination or verify the examination through the Internet website established pursuant to <u>NAC 648.3435.</u>]

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will eliminate outdated requirements and establish audit procedures for the Board as well as a fine and disciplinary action for failure to furnish the requested information in a timely manner.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. Ms. Lori Irizarry asked if the penalty included both the fine and possible Board disciplinary action or if only one would occur. She also suggested there be clarification on who is being audited, whether it is the Qualifying Agent or the licensed company. No other member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

### <u>11. NAC 648.3435</u>

1. NAC 648.3435 Internet website for system of records regarding certain persons; confidentiality of information contained in system of records. (<u>NRS 648.030</u>, <u>648.140</u>, <u>648.1495</u>)

1. The Board will establish and maintain an Internet website that contains a system of records which:

(a) Contains information regarding [:] each person who:

(1) [Each person who is] *Is* registered with the Board, including, without limitation, the contact information of the licensee who employs the person; [and]

(2) [Each person who has] *Has* applied for registration with the Board, including, without limitation, the contact information of the person; and

(3) Has completed a course of training in carrying, handling and using of firearms safely, including, without limitation, information concerning the certificate of completion for the course and a description of any other qualifications that the person has concerning firearms; (4) Any additional training required by the Board.

(b) Identifies each person whose registration is expired, is denied by the Board, or is otherwise suspended or revoked  $\begin{bmatrix} 1 \\ 1 \end{bmatrix}$ ; and

(c) Identifies training required by the Board.

2. The portion of the Internet website that contains the system of records may only be accessed in the manner authorized by this section and <u>NAC 648.3385</u>.

3. Before a licensee grants any employee access to the portion of the Internet website that contains the system of records maintained by the Board, the licensee shall provide the Board with the name, social security number and date of birth of the employee.

4. Upon the termination of employment of the employee or the reassignment of the employee to a position that no longer requires the employee to access the portion of the Internet website that contains the system of records, the licensee shall immediately notify the Board of the termination or reassignment.

5. Except as otherwise provided in this section and <u>NAC 648.3385</u>, the information contained in the system of records is confidential and must not be disclosed by any licensee or employee of a licensee.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will add to the requirement of the Board to include completed firearm training in the system of records.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

## <u>12. NAC 648.344</u>

### 1. NAC 648.344 Change of employment notice. (NRS 648.030, 648.140, 648.1495)

1. If a person who is registered **{becomes}** :

(a) Becomes employed by another or additional licensee [, the]; or

(b) Is terminated by the licensee

→ the new employer who is the other or additional licensee shall file a change of employment notice or the licensee who formerly employed the terminated person shall file a termination of employment notice, as applicable, with the Board by entering the information required by the Board into the system of records contained on the Internet website established pursuant to NAC 648.3435 not later than [5] 3 business days after the employee becomes employed with the new employer or the employee is terminated, as applicable.

2. A person *who becomes employed by another or additional licensee* is deemed provisionally registered as an employee upon the filing of a change of employment notice in accordance with subsection 1. The provisional registration is valid for 90 days after the provisional registration is issued by the Board, unless the Board denies, suspends or revokes the provisional registration.

3. The filing of the change of employment notice does not affect the date on which the registration of the employee expires.

# 4. If a person who is registered has not worked for a licensee within the last 12 months, the licensee must terminate the employment of the person.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions as an improvement will require a licensee to notify the Board of a new employee being added to their roster. This language will reduce the number of days into compliance with the Nevada Revised Statutes and will establish how long an employee may stay on a company roster.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

### <u>13. NAC 648.345</u>

## 1. NAC 648.345 Prerequisites; certification of firearms instructors; renewal. (<u>NRS 648.030</u>, <u>648.120</u>)

1. A licensee or an employee who is registered pursuant to NRS 648.1493 may not carry any firearm while performing the duties for the type of business for which he or she is licensed or employed unless the licensee or employee:

(a) Is certified by the Board as a firearms instructor pursuant to subsection  $\begin{bmatrix} 2 \\ 2 \end{bmatrix} 3$  or

[(b) Has] has successfully completed and received certification from a course of training approved by the Board in carrying, handling and using firearms safely [.]; and

(b) Is at least 21 years of age.

2. A person who is provisionally registered is prohibited from:

(a) Attending and being certified in a course of training approved by the Board in carrying, handling and using firearms safely; and

(b) Carrying a firearm while performing the duties for the type of business for which he or she is employed.
3. The Board may certify a person [who meets the requirements of subsection 1 of NRS 648.110] as a

firearms instructor in carrying, handling and using firearms safely if the applicant:

(a) [Is at least 21 years of age.] Meets the requirements of subsection 1 of NRS 648.110.

(b) Has not been convicted of a felony or any crime involving the illegal use or possession of a firearm.

(c) Submits a completed application with proof satisfactory to the Board of the applicant's qualifications and experience and pays a fee of \$100. The application must include:

(1) A detailed statement of the applicant's qualifications and experience in carrying, handling and using firearms.

(2) A detailed statement of the applicant's qualifications and experience in providing instruction to other persons in carrying, handling and using firearms safely, including, without limitation, the applicant's experience in providing instruction to peace officers, security officers or military personnel in carrying, handling and using firearms safely.

(3) Evidence of the applicant's successful completion of at least 40 hours of training on the instruction of peace officers, security officers or military personnel in carrying, handling and using firearms safely, and evidence of the applicant's certification as an instructor for peace officers, security officers or military personnel for each type of firearm for which the applicant wishes to provide such instruction.

(d) Successfully passes a written examination for firearms instructors, which must include, without limitation, questions relating to:

(1) The applicable federal and state laws and regulations, local government ordinances and court decisions related to carrying, handling and using firearms and the use of deadly force.

(2) The requirements of this chapter and <u>chapter 648</u> of NRS and any administrative requirements.

(3) The civil and criminal liability related to carrying, handling and using firearms and the use of deadly force.

(4) The process for conducting and the contents of the minimum curriculum for a course of training in carrying, handling and using firearms safely pursuant to  $\underline{NAC \ 648.346}$ .

(e) Successfully passes a live fire skills test for firearms instructors by:

(1) Demonstrating each of the skills required by the minimum curriculum for a course of training in carrying, handling and using firearms safely pursuant to <u>NAC 648.346</u>.

(2) Qualifying with the course of fire established by the Board pursuant to <u>NAC 648.346</u> with a minimum score of [275 out of 300 on a full size B27 type target] 90 percent for each type of firearm for which the applicant wishes to provide such instruction.

(3) Demonstrating knowledge of the minimum curriculum for a course of training in carrying, handling and using firearms safely pursuant to <u>NAC 648.346</u> by successfully teaching any section of the course with not more than 15 minutes of notice from an instructor designated by the Board.

 $\Box$  At any time during the live fire skills test, an instructor designated by the Board may prohibit an applicant from proceeding because the applicant has demonstrated a skill deficiency or has committed a safety violation.

[3.] 4. To renew the applicant's certification as a firearms instructor, the applicant must:

(a) Submit an application for renewal to the Board on or before July 1 next following the date the certificate was issued or last renewed;

(b) Submit proof satisfactory to the Board of the completion of at least 8 hours of *continuing* education or training on the subjects described in <u>NAC 648.346</u> within the previous 12 months; and

(c) Pay a fee to the Board of \$100.

[4.] 5. As evidence of a person's certification as a firearms instructor or renewal thereof, the Board will issue to the person a certification card which he or she shall carry on his or her person.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will clarify the firearm prerequisites for license holders and registered work card holders working armed.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

## <mark>14. NAC 648.346</mark>

# 1. NAC 648.346 Course of training: Required curriculum; written examination; instruction and training on firing range; request for exemption by certain instructors; substitute course. (NRS 648.030)

1. Except as otherwise provided in subsection 5, the minimum curriculum for a course of training in carrying, handling and using firearms safely that is taught for the purposes of <u>NRS 648.030</u> must include instruction designed to teach:

(a) The legal and civil responsibilities of carrying, handling and using a firearm, including:

(1) The applicable federal and state laws and regulations and local governmental ordinances related to carrying, handling and using firearms and the use of deadly force.

(2) The civil and criminal liability related to carrying, handling and using firearms and the use of deadly force.

(3) The consequences and risks related to carrying, handling and using firearms and the use of deadly force.

(4) The elements of self-defense, using a weapon in self-defense and the use of force.

(5) Recent court decisions related to carrying, handling and using firearms and the use of deadly force.

(b) The terminology related to and the maintenance of different types of firearms and their related systems, including:

- (1) The operational and mechanical systems and parts of a firearm and the related terminology.
- (2) The types of ammunition and their ballistic properties and effective uses.
- (3) The inspection, storage and general care of ammunition.
- (4) The inspection, care, cleaning and maintenance of a firearm.
- (c) Carrying, handling and using a firearm safely, including:
  - (1) The safe handling, use and storage of firearms when off duty.
  - (2) The safe transportation of a firearm.
  - (3) The appropriate methods of safely carrying a firearm while on duty.
  - (4) Safety and accessory equipment available to carry, handle and use a firearm safely.
- (d) The fundamentals of safe handling and shooting of firearms, including:
  - (1) The fundamentals of operating a handgun, *rifle and shotgun*.
  - (2) The general differences among handguns, rifles and shotguns.
  - (3) The proper procedures and devices for loading, unloading and reloading a firearm.

(4) The fundamentals of shooting, such as the use of sights, sight picture and alignment, control of the trigger, breathing and firing in a single or double action.

- (5) Proper techniques for gripping a handgun, *rifle and shotgun* and shooting positions.
- (6) Procedures for drawing and reholstering a firearm and techniques for retaining a firearm.
- (7) The various positions for shooting when standing or kneeling.
- (8) The use of barricades or other forms of cover and alternate shooting positions.

(e) The preparation for shooting at a firing range, including:

- (1) The location of the range.
- (2) The equipment to be used at the range.
- (3) The course of fire.
- (4) Targets to be used.
- (5) Commands at the range.
- (6) Safety and etiquette at the range.

(f) Exercises to be used at a firing range and the practical use of a firearm at the firing range, including:

(1) The review of safety procedures and etiquette at the firing range and a safety inspection of all firearms, holsters and accessories.

- (2) Practicing drawing and holstering.
- (3) Dry firing, the manipulation of the trigger and follow through.
- (4) The procedures for loading, unloading and reloading.

(5) Exercises for firing with live ammunition to practice proper shooting techniques while firing at targets with a firearm of the same type and caliber as the firearm the person will use while on duty.

(6) Qualifying with a *passing score of at least 75 percent in an approved* course of fire established *and maintained* by the Board. [, using a firearm of the same type and caliber as the firearm the person will use while on duty. The course of fire must require firing at least 30 rounds of live ammunition with a passing score of 75 percent, and must include drawing and:

(I) Shooting 5 rounds of ammunition from a distance of 3 yards in 15 seconds using only the dominant hand;

(II) Transferring the firearm to the support hand and shooting 5 rounds of ammunition from a distance of 3 yards in 15 seconds using only the support hand;

(III) Shooting 5 rounds of ammunition while standing, reloading the firearm and shooting 5 rounds of ammunition while kneeling, from a distance of 7 yards in 30 seconds; and

(IV) Shooting 5 rounds of ammunition while standing, reloading the firearm and shooting 5 rounds of ammunition while kneeling, from a distance of 15 yards in 30 seconds,

 $\hat{E}$  on a full-size B27-type target. The scoring areas on the target are the "X" in the center of the target, which receives a score of 10, and the 10, 9, 8 and 7 rings. Any hits outside of such areas do not receive a score.]

2. Except as otherwise provided in subsection 5, the course must consist of:

(a) Eight hours of training and instruction on carrying, handling and using a firearm safely, including the completion of a written examination designated by the Board, with a passing score of *at least* 75 percent.

(b) A minimum of [5] 8 hours of instruction and training on a firing range during which each person must qualify using a firearm of the same type and caliber as the firearm the person will use while on duty.

3. The course must be completed within a period of 14 days. Each day of the course must consist of a number of contact hours of training. Not more than 9 contact hours of training may occur on any day.

4. If a person fails to complete the written examination with a passing score of *at least* 75 percent as specified in paragraph (a) of subsection 2 or to qualify [using a firearm of the same type and caliber as the firearm the person will use while on duty] with a passing score of at least 75 percent in an approved course as specified in subparagraph (6) of paragraph (f) of subsection 1:

(a) Except as otherwise provided in paragraph (b), the person must repeat the course in full before retaking the written examination and firearm qualification.

(b) At the discretion of the instructor, for good cause shown, the person may retake the written examination and the firearm qualification without repeating the course in full if the person completes such remedial training as the instructor determines is appropriate, taking into account the person's performance on the previous written examination and firearm qualification. The instructor may charge an additional fee for the remedial training.

5. If a firearms instructor is unable to provide a course which meets the requirements of this section because he or she provides security on a military installation and has no other reasonable means to provide the training and qualification required for such a course, he or she may submit a written request to the Executive Director asking for an exemption from those requirements and permission to offer a course with substitute training and qualification for persons employed on that military installation. When requesting an exemption pursuant to this subsection, the firearms instructor must provide:

(a) Proof of his or her inability to provide a course which meets the requirements of this section and to make reasonable accommodations to provide the training and qualification required for such a course; and

(b) A copy of the proposed substitute training and qualification and a signed affirmation, on a form provided by the Board, acknowledging that any person who successfully completes the course is required to sign a form pursuant to subsection 6.

 $\hat{E}$  The Executive Director may, in his or her discretion and on a case-by-case basis, grant an exemption pursuant to this subsection after taking into consideration the totality of the circumstances.

6. Before a person who successfully completes a course pursuant to subsection 5 may carry a firearm on the military installation on which he or she is employed, the person must sign an affirmation, on a form provided by the Board, acknowledging that:

(a) He or she is only authorized to carry a firearm of the same type and caliber that he or she is qualified to carry and only on the military installation where he or she is employed; and

(b) The certification card issued to the person pursuant to  $\underline{NAC \ 648.350}$  will be confiscated upon termination of his or her employment on the military installation.

7. As used in this section, "contact hour" means 50 minutes of instruction in a period of 60 minutes.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will remove the actual course of fire from the NAC and establish the requirement of following an approved course of fire established and maintained by the Board. As an improvement, the Proposed language will also increase the number of hours of instruction on the range from 5 to 8 hours and include training for rifle and shotgun.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

### 15. NAC 648.350

1. NAC 648.350 Course of training: Certification of successful completion and qualification with firearm; issuance of certification card; maintenance of certification; repetition of course and request for exemption by certain persons; fees; duties of certified person. (NRS 648.030)

1. To certify a person's successful completion of the course of training in carrying, handling and using firearms safely, and his or her successful qualification with a firearm, a firearms instructor shall, within [5] 2 days of the person's successful completion of the course of training [and on a form provided by the Board, submit to the Board], record the person's name and registration number, the time, date and location of the course of training, and the certifications and qualifications that the person obtained *in the unlicensed person's record on the Internet website established pursuant to NAC 648.3435*.

2. After [receipt of] the information [submitted pursuant to] described in subsection 1-[,] has been recorded on the Internet website, the Board will:

(a) Issue to a person who has successfully completed the course of training a plastic certification card which contains the name, photograph and registration number of the person, the expiration date of the person's certification and the designated qualification months established for that person pursuant to subsection 3; and

(b) Maintain an electronic record for each person who has been issued a certification card pursuant to paragraph (a) that indicates whether the person's card is valid and lists each type and caliber of firearm that the person is certified to carry, handle and use.

3. A person who has been certified pursuant to this section and who wishes to maintain his or her certification must successfully qualify for certification every 6 months, on any day during his or her designated qualification months. The designated qualification months are determined by the month of the person's initial qualification and will not change. If, after a person's initial qualification, the person successfully qualifies for certification or for a different type or caliber of firearm during a month that is not one of his or her designated qualification months, the person must successfully qualify again during his or her next designated qualification month, even if the period between such qualifications is less than 6 months. The qualification cycle will be as follows:

Initial course month	Designated qualification months	
January or July	January and July	
February or August	February and August	
March or September	March and September	
April or October	April and October	
May or November	May and November	
June or December	June and December	

4. The certification card issued pursuant to subsection 2 is valid for 5 years if the person successfully qualifies every year during each of his or her designated qualification months on a course of fire that is given by a certified firearms instructor and is approved by the Board. If the person fails to qualify during any of his or her designated qualification months, the card becomes invalid and the person shall not use a firearm in the course of employment until he or she successfully qualifies.

5. Except as otherwise provided in this subsection, if a person fails to qualify for at least 2 successive designated qualification months or his or her certification card expires, he or she must repeat the course of training. If a person fails to qualify during at least 2 successive designated qualification months or his or her certification card expires because he or she is deployed on full-time active duty in the Armed Forces of the United States, the person may request an exemption from repeating the course of training by submitting a written request along with

official documentation of such deployment to the Executive Director. The Executive Director may, in his or her discretion and on a case-by-case basis, grant an exemption pursuant to this subsection after taking into consideration the totality of the circumstances.

6. To cover the Board's administrative costs related to the certification and qualification of a person by a certified firearms instructor, the instructor shall remit to the Board \$25 for each certification card issued by the Board pursuant to this section and \$5 for each qualification of a person pursuant to subsection 3. If a person's certification card is lost or stolen, the person must remit to the Board \$25 to obtain a replacement card.

- 7. The person to whom the certification card is issued shall:
- (a) Have it in his or her possession while carrying a firearm in the performance of his or her duties;
- (b) Produce it upon the request of any peace officer or a representative of the Board; and
- (c) Not carry or possess a firearm in the performance of his or her duties unless the certification card is valid.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will clarify and streamline the requirement of certified firearm instructors to record the completion of the firearm course in the participant's record in the agency's system of records cutting down on the amount of time it takes to authorize armed status.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

### <u>16. NAC 648.431</u>

## 1. NAC 648.431 Notice of violation: Imposition of fine. (<u>NRS 648.030</u>, <u>648.162</u>)

1. If a notice of violation is issued, the Board will impose a fine of not more than the following amounts for violations of the provisions listed:

	First Offense	Second Offense	Third and Subsequent Offense
NRS 648.135	\$50	\$100	\$200
Subsection 2 of NRS 648.142	25	50	75
Subsection 3, 4 or 5 of NRS 648.142	50	100	200
Subsection 1 of NAC 648.530	50	100	200

2. If a notice of violation is issued, the Board will impose a fine of not more than the following amounts for violations of the provisions listed:

Subsection 1 of NRS 648.148	\$50
Subsection 2 of NRS 648.148	
Subsection 1 of NRS 648.149	50
NAC 648.380	
NAC 648.525	100

3. If a notice of violation is issued, the Board will impose a fine upon a licensee calculated per employee of not more than the following amounts for violations of the provisions listed:

	First Offense	Second Offense	Third and Subsequent Offense
Subsection 2 of NRS 648.060     Subsection 2 or 3 of NRS 648.140     [NAC 648.343     Subsection 1 of NAC 648.345	\$50 25 <del>25]</del> 750	\$75	\$100

4. If a notice of violation is issued, the Board will impose a fine of not more than:

(a) For the first violation of a provision of NAC 648.350, \$500; and

(b) For the first violation of subsection 2 of NAC 648.530, \$300.

 $\hat{E}$  In the case of a second or subsequent violation, the Board will take any disciplinary action authorized pursuant to NRS 648.175 which the Board deems appropriate.

5. If a notice of violation is issued, the Board will impose a fine of not more than \$150 on a licensee's employee who violates subsection [4] 5 of NAC 648.345.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will eliminate a fine for violation of NAC 648.343.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

# 17. NAC 648.433

# 1. NAC 648.433 Notice of violation: Service and filing; payment of fine. (<u>NRS 648.030</u>, <u>648.160</u>, <u>648.162</u>)

1. A copy of the notice of violation must be served personally or by certified or registered mail. The original notice must be filed in the office of the Board.

2. A fine imposed in a notice of violation [must] may be paid by *credit or debit card*, cashier's check or money order.

3. The Board may, upon request, arrange a schedule of payments for the payment of such a fine.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will streamline the requirement for payment of fines for violations by permitting credit or debit card payments.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. Ms. Lori Irizarry suggested adding verbiage to allow a company to also pay with a business check. No other member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

### <mark>18. NAC 648.439</mark>

### 1. NAC 648.439 Citation: Service and filing; payment of fine. (NRS 648.030, 648.165)

1. A copy of a citation issued pursuant to <u>NRS 648.165</u> must be served personally or by certified or registered mail. The original citation must be filed in the office of the Board.

2. A fine assessed pursuant to subsection 4 of <u>NRS 648.165</u> [must] may be paid by *credit or debit card*, cashier's check or money order.

3. The Board may, upon request, arrange a schedule of payments for the payment of such a fine.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will streamline the requirement for payment of fines for citations by permitting credit or debit card.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation modification and omission. The Board anticipates no additional expenses associated with the modification and omission to its licensees at this time.

### <mark>19. NAC 648.530</mark>

### 1. NAC 648.530 Uniforms, badges, [and] patches, *logos and marked vehicles*. (NRS 648.030)

1. If an applicant or licensee intends to use a uniform, badge, **[or]** patch, *logo or marked vehicle* in connection with licensed activities, the applicant or licensee must submit with the application or before use of the uniform, badge , **[or]** patch , *logo or marked vehicle*, a color photograph which accurately depicts the features of the uniform, badge , **[or]** patch **[.]**, *logo or marked vehicle*.

2. A licensee must not use a uniform, badge, [or] patch, *logo or marked vehicle* in connection with the licensee's business which is the same as or deceptively similar to a uniform, badge, [or] patch, *logo or marked vehicle* used by any other licensee, *a branch of the military*, or law enforcement agency in this State.

3. A uniform, badge, patch, logo or marked vehicle is deceptively similar as described in subsection 2, if:

(a) The badge, patch or logo uses the State Seal;

(b) The badge, patch or logo is shaped as a star;

(c) The patch or logo is shaped as a shield

(d) The uniform bears a similar resemblance to that of local law enforcement; or

(e) The uniform, badge, patch, logo or marked vehicle uses any name, seal or acronym that may be interpreted as implying that the licensee is affiliated with any governmental agency or entity.

4. A marked vehicle used by a private patrol officer must be clearly identified as a security vehicle with the letters "PILB" followed by the license number of the private patrol officer.

5. The lettering described in subsection 4 must:

(a) Be permanently affixed to the driver's side, passenger's side and rear of the vehicle;

(b) Be of sufficient size and clarity;

(c) Measure at least 2 inches in height and at least 1 inch wide; and

(d) Be legible from the center of the nearest street or road.

2. The Board recommends the proposed modifications and omissions. The modifications and omissions will clarify the use of uniforms, badges, patches, logos and marked vehicles by the license holder.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. Mr. Jonathan Alvarez asked if the amendments limiting the use of certain uniforms, patches, logos, and vehicle markings would apply to new companies only or previous/existing companies. He voiced concern with the cost associated with existing companies having to change their branding including uniforms, vehicles, etc. He also expressed concern that if law enforcement entities changed uniforms in the future that Security companies could once again bear the cost of changing again. Mr. Alvarez suggested that existing companies be grandfathered in. No other member of the public provided oral/written comment or testimony on the above-referenced regulation.

4. The Board estimates a some financial impact based on costs. While costs will be associated with complying with the more stringent guidelines it can be lessened by allowing replacement of these items over a period of time. The proposed changes are stemming from ongoing complaints received from local law enforcement entities such as the Las Vegas Metropolitan Police Department (LVMPD) who also must approve uniforms, badges, patches, and vehicle markings for the security industry pursuant to County Code. There are a number of security companies that have uniforms and vehicle markings so close to other law enforcement entities that even they cannot tell if an individual is a peace officer or security guard. This is a grave concern given the increased violence in society today. Because of this LVMPD has established stricter guidelines that no longer allow the use of deceptively similar uniforms, badges, patches, logos and vehicle markings and they would like to have existing companies change their practice as well. Since both approvals are needed from the Board and LVMPD, the Board will need to collaborate with local law enforcement to set more specific guidelines to protect the public and individuals working in the security industry.

### Section 2- Regulation for Removal

The Private Investigators Licensing Board has identified the following regulations below, ranked in descending order of priority, recommended for removal:

# 1. NAC 648.235

1. [NAC 648.235 Corporations: Licensing without qualifying agent. (NRS 648.030)

-1. The Board may grant a license to a corporation without a qualifying agent if the corporation:

(a) Complies with all other statutory and regulatory prerequisites for the license;

(b) Agrees to file an application for a qualifying agent within 6 months after the date the Board approves the application; and

(c) Agrees not to engage in the occupation for which it is licensed until the application for a qualifying agent is approved by the Board.

-2. If a corporation is granted a license pursuant to subsection 1 and fails to comply with any provision of subsection 1, the license is automatically forfeited and the Board will rescind its approval and reject the application.

3. If the Board rescinds its approval pursuant to this section, the Executive Director shall demand the return of the license, and the licensee shall return it as soon as practicable.]

2. The Board finds that the omission of the above-referenced regulation will help streamline the licensure process for Corporations.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. Ms. Spring Cargill expressed concerns unrelated to the removal of the regulation. In particular, she inquired about what would happen if a company did not want the Qualifying Agent to be involved in the day-to-day operations of the company. She was advised to consult with the Executive Director after the meeting. No other member of the public provided oral/written comment or testimony regarding the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation omission. The Board anticipates no additional expenses associated with the omission to its licensees at this time.

## 2. NAC 648.320

1. [NAC 648.320 Compliance with prerequisites for license. (NRS 648.030)

— 1. Except as otherwise provided pursuant to NAC 648.235, if the Board has approved an application for a license and has directed that the license be issued subject to compliance by the applicant with all statutory and regulatory prerequisites for the license, the applicant must comply within 90 days after the date on which the Board approved the application.

-2. If the applicant fails to comply within 90 days, the Board may rescind its approval and reject the application unless the applicant has shown good cause for the delay.

3. If the Board rescinds its approval pursuant to this section, the Executive Director shall demand the return of the license, and the licensee shall return it as soon as practicable.

2. The Board finds that the omission of the above-referenced regulation will help streamline the licensure process.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. No member of the public member provided oral/written comment or testimony regarding the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation omission. The Board anticipates no additional expenses associated with the omission to its licensees at this time.

# 3. NAC 648.325

1. [NAC 648.325 Insurance required for all services provided under license. (NRS 648.030, 648.135) A licensee must be properly insured pursuant to NRS 648.135 for all services provided under his or her license. (Added to NAC by Priv. Investigator's Lic. Bd. by R182-05, eff. 5-4-2006)]

2. The Board recommends this regulation for removal because it finds the regulation redundant considering NRS 648.135 is already in effect.

3. The Board held a public meeting to discuss the proposed regulation change as mandated by Section 3 of Executive Order 2022-03. Mr. Mark Zane voiced concern that the statute was not as specific as the regulation on the type of insurance required and suggested a revision to NRS 648.135 if this regulation was repealed. No other member of the public member provided oral/written comment or testimony regarding the above-referenced regulation.

4. The Board estimates little to no financial impact with the proposed regulation omission. The Board anticipates no additional expenses associated with the omission to its licensees at this time.

## **Board Discussion & Findings Regarding Identifying 10 Regulations for Removal**

Executive Order 2023-03 has tasked this Board with identifying ten (10) regulations for removal. While the Board has made a valiant effort, we find it extremely difficult to reach this number and, in fact have only been able to identify three (3) as reported earlier in this report. This is due to our regulations having specific purposes in carrying out the mission of our department. Additionally, we have identified categories of licenses we currently regulate that are not regulated in other states, however deeming them no longer required is an impossible task through regulation changes as licensing requirements are established in Chapter 648 of the Nevada Revised Statutes and not though regulation.

As discussed in this Board's prior report (submitted in compliance to Executive Order 2023-04), there are inherent risks to public safety without licensing or regulation of the Private Investigator (PI), Private Patrol Officer (PPO), Repossessor (REPO), Process Server (PS) Dog Handler (K-9) and Polygraph Examiner (PE) business sectors as anyone can "hang a shingle" and offer these services. This may include individuals who are drawn toward or who have been convicted of serious felony and misdemeanor crimes just waiting to take advantage of unsuspecting individuals.

Private Investigator firms, Private Patrol Officer companies, Dog Handlers and Security Consultants routinely handle or protect sensitive business and personal matters for their clients, which may require the use and protection of confidential and proprietary information and the safeguarding of valuable client assets as well as personnel. The licensing of PI firms and PPO agencies is necessary to protect the public from deceitful, predatory, and unqualified operators and to provide a necessary level of quality assurance to the legal community, corporations, small business owners and the public at large. Prior experience in law enforcement, public agencies, the military, and in the private sectors, gives an individual valuable experience in the critical areas of asset and data protection. Additionally, this Board finds that similar prior experience in these areas, gives licensees experience with complying with state laws, federal laws, and regulations governing critical areas of responsibility.

Moreover, Repossessors, Process Servers and Polygraph Examiners have access to personal and confidential information that is not generally available to the public and if misused or abused can cause undue

harm to the public. This highly sensitive information must be protected at all costs to prevent unlawful distribution. Furthermore, in circumstances involving deceptive consumer practices by an unqualified provider, the only recourse for a consumer is the civil courts. Unfortunately, even if a judgment is reached, this does not guarantee that a consumer will be able to collect pursuant to that judgment. Conversely, the licensing and regulation of these professional services gives businesses and consumers an additional option for holding these individuals accountable. Further, this Board notes that many unlicensed individuals or entities will avoid carrying liability or Workers Comp insurance, just as they will avoid paying any payroll taxes. An unlicensed contractor has a convenient opportunity to avoid state and federal taxes by paying employees "off the books."

Notably, arguments against licensing and regulation are often times based upon economic issues, primarily that excessive regulation prevents qualified individuals from practicing a trade or craft of their own choosing, including individuals who have had minor criminal convictions in their past, thus leading to recidivism in the absence of a job opportunity. However, when minimum standards and qualifications are required for licensing, one's success in a profession depends not only on outside market factors but on the regulatory environment that establishes a level playing field. Additionally, qualifications for entry into a regulated profession are designed to offer a certain level of assurance to the public in an attempt to help mitigate or eliminate the high cost of consumer fraud and even identity theft. In a regulatory environment, the bar is raised on the force of law when addressing consumer fraud and other illegal or deceptive practices. By implementing a uniform application of qualifications and standards, across a diverse section of individuals, this Board has found the following benefits:

1. The requirements for licensure are established by law, not by arbitrary criteria;

2. A fair review of an applicant is conducted;

3. Examinations are conducted to confirm that an applicant has requisite knowledge of the profession in which they wish to enter;

4. Application reviews are conducted by qualified individuals;

5. Due process protections for appeals are maintained;

6. Following an extensive State & Federal Fingerprint background check and comprehensive review of financial status, judgments, and liens (if applicable), the public retains confidence that the applicant for licensure is suitable to conduct business in the State of Nevada.

Finally, this Board maintains that regulating an occupation does not equate automatically to interfering with a service market, nor to the absence of equal employment opportunities available among qualified candidates for a professional job. By recognizing and establishing the minimum standards and practices by which certain businesses must operate, the state has eliminated adverse factors, which tend to increase cost to society at large and to those who pay for that service. Without the licensing of these industries, it is highly probable that it would lead to negative consequences with a substantial increase in consumer fraud and the loss of protection of the citizens of Nevada, private property, and facilities, thus creating additional burdens on our law enforcement.

### Section 3-Mandatory Meeting & Report

The Private Investigators Licensing Board held a public workshop on April 14, 2023, to discuss the proposed regulation changes. There were 15 individuals in attendance. Videoconference was made available for members of the public to appear from either Carson City or Las Vegas. No members of the public appeared at the Carson City location. Fifteen (15) members of the public were in attendance in the Las Vegas location. Four out of the Fifteen individuals present provided the following oral comments below:

1. Mark Zane Zane Investigations, Inc. License number 830 (775) 337-8177 <u>markzane@zaneinvestigations.com</u>

Mr. Zane provided the following comments during the workshop:

- NAC 648.325: Mr. Zane voiced concern that the statute was not as specific as the regulation on the type of insurance required and suggested a revision to NRS 648.135 if this regulation was repealed.
- NAC 648.338: Mr. Zane stated that if this amendment should include the requirement of the Executive Director to provide a report to the Board during the next regularly scheduled Board meeting so that the exemptions become part of the public record.
- NAC 648.343: Mr. Zane suggested that business banking accounts to be included in the audit.
- NAC 648.120: this regulation was not listed on the agenda as a regulation for possible modification or omission. Mr. Zane stated that this regulation should be amended to remove the language vesting the Chair with the sole authority to appoint an Executive Director. Mr. Zane stated that that he believes that the Executive Director should be appointed by the Board as a whole.
- NAC 648.120: this regulation was not listed on the agenda as a regulation for possible modification or omission. Mr. Zane suggested an amendment to include a definition of a branch manager as no such definition exists in neither Chapter 648 of the Nevada Revised Statutes nor Nevada Administrative Code.

2. Lori Irizarry Individual Private Investigator License Number 4083 (702) 328-9587 Lori203@hotmail.com

Ms. Irizarry provided the following comments during the workshop:

- NAC 648.341: Ms. Irizarry asked whether all work card applicants would be required to take the exam and if a fine would be assessed if an audit was to find employees working without completing the exam.
- NAC 648.343: Ms. Irizarry asked if the penalty included both the fine and possible Board disciplinary action or only one would occur. She also suggested there be clarification on who is being audited, whether it is the Qualifying Agent or the licensed company.

- NAC 648.433: Ms. Irizarry suggested adding verbiage to allow a company to also pay with a business check.
- 3. Jonathan Alvarez Protective Force International, LLC License number 2665 (702) 764-8882 J.alvarez@protectiveforceintl.com

Mr. Alvarez provided the following comments during the workshop:

- NAC 648.343: Mr. Alvarez expressed concern that there is not a specific timeframe established for how long records need to be kept for both past and present employees.
- NAC 648.345: Mr. Alvarez asked for clarification on whether individuals that were added to a new roster and starting a new provisional period would have to wait to become armed if they still possessed their active work card.
- NAC 648.530: Mr. Alvarez asked if the amendments limiting the use of certain uniforms, patches, logos, and vehicle markings would apply to new companies only or previous/existing companies. He voiced concern with the cost associated with existing companies having to change their branding including uniforms, vehicles, etc. He also expressed concern that if law enforcement entities changed uniforms in the future that Security companies could once again bear the cost of changing again. Mr. Alvarez suggested that existing companies be grandfathered in.
- 4. Spring Cargill Blackstone Security License number 2755 (312) 881-0225 spring@blackstonesecurity.com

Ms. Cargill provided the following comment during the workshop:

• NAC 648.265: Ms. Cargill expressed concerns unrelated to the modification of the regulation. In particular, she inquired about what would happen if a company did not want the Qualifying Agent to be involved in the day-to-day operations of the company. She was advised to consult with the Executive Director after the meeting.