

ASSEMBLY BILL NO. 531—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE ATTORNEY GENERAL)

MARCH 26, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Makes certain changes to provisions concerning the Private Investigator's Licensing Board. (BDR 54-513)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets **fomitted-material** is material to be omitted.

AN ACT relating to private investigators; making certain changes concerning the membership of the Private Investigator's Licensing Board; removing the Executive Director of the Board from the unclassified service of the State; creating the Fund for the Private Investigator's Licensing Board; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law authorizes the Private Investigator's Licensing Board to license
2 and regulate private investigators, private patrolmen, process servers, dog handlers,
3 security consultants and polygraphic examiners. (Chapter 648 of NRS) Further,
4 existing law provides that the Attorney General serves as Chairman of the Board
5 and that money received by the Board pursuant to the provisions of chapter 648 of
6 NRS must be deposited in the Attorney General's Special Fund. (NRS 648.020,
7 648.040) **Section 1** of this bill removes the Attorney General from the membership
8 of the Board and adds another member to the Board who is a representative of the
9 general public. (NRS 648.020) **Section 1** also requires the members of the Board to
10 elect a Chairman from among the members. The Chairman serves a 2-year term
11 beginning on July 1 of each year. **Section 2** of this bill removes the Executive
12 Director of the Board from the unclassified service of the State. (NRS 648.025)
13 **Section 2** also authorizes the Board to employ an Executive Director who serves at
14 the pleasure of the Board and requires the Board to establish the compensation of
15 the Executive Director. **Section 3** of this bill creates the Fund for the Private
16 Investigator's Licensing Board and provides that any money received by the Board
17 pursuant to the provisions of chapter 648 of NRS must be deposited in the State
18 Treasury for credit to the Fund. Money in the Fund must be used by the Board for



19 the administration of the provisions of chapter 648 of NRS and to pay the expenses
20 and salary of members, agents and employees of the Board. (NRS 648.040)

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 648.020 is hereby amended to read as follows:
2 648.020 1. The Private Investigator's Licensing Board,
3 consisting of ~~{the Attorney General or his deputy and four}~~ **five**
4 members appointed by the Governor, is hereby created.
5 2. The Governor shall appoint:
6 (a) One member who is a private investigator.
7 (b) One member who is a private patrolman.
8 (c) One member who is a polygraphic examiner.
9 (d) ~~{One member who is a representative}~~ **Two members who**
10 **are representatives** of the general public. ~~{This member}~~ **These**
11 **members** must not be:
12 (1) A licensee; or
13 (2) The spouse or the parent or child, by blood, marriage or
14 adoption, of a licensee.
15 3. The **members of the Board shall elect a** Chairman of the
16 Board ~~{is the Attorney General or a deputy attorney general~~
17 ~~designated by the Attorney General to act in that capacity.}~~ **from**
18 **among its members by majority vote. After the initial election, the**
19 **Chairman shall hold office for a term of 2 years beginning on**
20 **July 1 of each year. If a vacancy occurs in the chairmanship, the**
21 **members of the Board shall elect a Chairman from among its**
22 **members for the remainder of the unexpired term.**
23 4. Each member of the Board ~~{, except the Chairman,}~~ is
24 entitled to receive:
25 (a) A salary of not more than \$80, as fixed by the Board, for
26 each day or portion of a day during which he attends a meeting of
27 the Board; and
28 (b) A per diem allowance and travel expenses at a rate fixed by
29 the Board, while engaged in the business of the Board. The rate
30 must not exceed the rate provided for state officers and employees
31 generally.
32 5. While engaged in the business of the Board, each employee
33 of the Board is entitled to receive a per diem allowance and travel
34 expenses at a rate fixed by the Board. The rate must not exceed the
35 rate provided for state officers and employees generally.
36 6. ~~{The}~~ **A** member who is a representative of the general
37 public shall not participate in preparing, conducting or grading any
38 examination required by the Board.



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Sec. 2. NRS 648.025 is hereby amended to read as follows:
648.025 1. The Board may:

~~1. Appoint~~

(a) Employ an Executive Director who:

~~(a) Is in the unclassified service of the State; and~~

~~(b) (1) Is the chief administrative officer of the Board;~~

~~(2) Serves at the pleasure of the Board; and~~

(3) Shall perform such duties as the Board may prescribe;
and

~~(2) (b)~~ Employ investigators and clerical personnel necessary
to carry out the provisions of this chapter.

2. The Board shall establish the compensation of the
Executive Director.

Sec. 3. NRS 648.040 is hereby amended to read as follows:

648.040 1. *There is hereby created in the State General
Fund the Fund for the Private Investigator's Licensing Board, to
be administered by the Board.*

2. Except as otherwise provided in subsection ~~6.1~~ 7, all money
received pursuant to the provisions of this chapter must be deposited
in the State Treasury for credit to the ~~Attorney General's Special~~
Fund *for the Private Investigator's Licensing Board* and must be
used by the Board for the administration of this chapter and to pay
the expenses and salary of members, agents and employees of the
Board.

~~2.1~~ 3. *All claims against the Fund must be paid as other
claims against the State are paid.* Any amount remaining in the
Fund at the end of a fiscal year must be carried forward into the next
fiscal year.

~~3.1~~ 4. The Board through majority vote controls exclusively
the expenditures from the Fund. The Board may not make
expenditures or incur liabilities in a total amount greater than the
amount of money actually available in the Fund.

~~4.1~~ 5. Except as otherwise provided in subsection ~~6.1~~ 7, the
money in this Fund may be used to:

(a) Pay the expenses of the Board in connection with the
investigation of the background of an applicant;

(b) Finance a substantive investigation of a licensee or of
unlicensed activity; and

(c) Pay the operational and administrative expenses of the Board
and its Secretary,

➔ and for such other expenses as the Board deems appropriate to
regulate the persons subject to its supervision.

~~5.1~~ 6. In a manner consistent with the provisions of chapter
622A of NRS, the Board may delegate to a hearing officer or panel
its authority to take any disciplinary action pursuant to this chapter,



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1 impose and collect fines therefor and deposit the money therefrom
2 in the State Treasury for credit to the ~~Attorney General's Special~~
3 ~~Fund.~~

4 ~~—6.]~~ *Fund for the Private Investigator's Licensing Board.*

5 7. If a hearing officer or panel is not authorized to take
6 disciplinary action pursuant to subsection ~~[5.]~~ 6, the Board shall
7 deposit the money collected from the imposition of fines with the
8 State Treasurer for credit to the State General Fund. In such a case,
9 the Board may present a claim to the State Board of Examiners for
10 recommendation to the Interim Finance Committee if money is
11 needed to pay attorney's fees or the costs of an investigation, or
12 both.

13 **Sec. 4.** On July 1, 2007:

14 1. The State Controller shall transfer all money received
15 pursuant to the provisions of chapter 648 of NRS and remaining in
16 the Attorney General's Special Fund to the Fund for the Private
17 Investigator's Licensing Board created pursuant to NRS 648.040, as
18 amended by this act.

19 2. All assets and liabilities of the Attorney General's Special
20 Fund which concern the activities of the Private Investigator's
21 Licensing Board become the assets and liabilities of the Fund for the
22 Private Investigator's Licensing Board.

23 **Sec. 5.** This act becomes effective on July 1, 2007.

