

REQUIRES TWO-THIRDS MAJORITY VOTE

(§§ 6, 11)

(Reprinted with amendments adopted on May 21, 2015)

SECOND REPRINT

A.B. 173

ASSEMBLY BILL NO. 173—ASSEMBLYMEN HICKEY,
O’NEILL AND KIRNER

FEBRUARY 18, 2015

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing private investigators.
(BDR 54-758)

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

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

AN ACT relating to private investigations; exempting the Private Investigator’s Licensing Board from certain administrative procedures governing professional licensing boards; exempting certain professionals who provide information security from regulation as a private investigator; deleting provisions requiring a licensee or applicant for a license to maintain a principal place of business in this State; authorizing the Board to revoke the registration of a registered employee under certain circumstances; revising certain provisions relating to licensure and registration by the Board; revising provisions relating to disciplinary actions by the Board; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires the Private Investigator’s Licensing Board to comply with certain administrative procedures governing certain professional licensing boards. (Chapter 622A of NRS) **Sections 1, 4 and 5** of this bill exempt the Board from complying with such procedures.

Existing law provides that a person engaging in the business of a private investigator must be licensed and is subject to regulation by the Board. (NRS 648.060) Existing law defines a private investigator to include a person who conducts an investigation through the review or analysis of computerized data not available to the public. (NRS 648.012) **Section 1.3** of this bill defines the term “information security.” **Section 2.5** of this bill revises the definition of “private investigator” to exclude from the definition certain professionals who provide



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information security. **Section 3** of this bill exempts certain professionals who provide information security from the provisions of NRS governing private investigators.

Existing law prohibits a person from engaging in any business regulated by the Board or advertising such business unless the person is licensed by the Board. Existing law further prohibits the employment by a licensee of a person unless the person is a registered employee. Existing law requires the Board to assess certain administrative fines for violations of these provisions and specifies the amounts of such administrative fines. (NRS 648.060, 648.165) **Section 14** of this bill authorizes rather than requires the Board to assess such administrative fines and provides the Board with discretion as to the amount of such administrative fines.

Sections 7, 8, 10 and 11 of this bill delete provisions requiring a licensee or an applicant for a license to maintain a principal place of business in Nevada.

Section 9 of this bill provides that each registered employee employed in this State by a licensee must be supervised by the licensee or his or her designated agent who is physically present in this State.

Under existing law, the Board is required to issue a registration to a person who, in addition to certain other requirements, has not been convicted of, or entered a plea of nolo contendere to, a felony or a crime involving moral turpitude or the illegal use or possession of a dangerous weapon. (NRS 648.1493) Existing law provides that a licensee may employ only persons who have not been convicted of a felony or a crime involving moral turpitude or the illegal use or possession of a dangerous weapon. (NRS 648.060) **Sections 6 and 12** of this bill remove this prohibition, effectively providing the Board with the discretion to issue a registration to a person who is otherwise qualified to obtain a registration but has been convicted of such crimes.

Section 1.7 of this bill authorizes the Board to revoke the registration of a registered employee under certain circumstances. **Section 13** of this bill expands the authority of the Board to investigate the actions of a person holding or claiming to hold a license to include investigations of the actions of a person holding or claiming to hold a registration. **Section 13.5** of this bill provides that it is grounds for the suspension or revocation of a registration or application for registration that a registered employee or applicant for a registration fails to comply with a notice of violation issued by the Board. **Sections 14.5 and 15** of this bill similarly expand provisions of existing law relating to disciplinary action by the Board to include disciplinary action with regard to registered employees.

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

Section 1. NRS 622A.120 is hereby amended to read as follows:

622A.120 1. The following regulatory bodies are exempted from the provisions of this chapter:

- (a) State Contractors' Board.
- (b) State Board of Professional Engineers and Land Surveyors.
- (c) Nevada State Board of Accountancy.
- (d) Board of Medical Examiners.
- (e) Board of Dental Examiners of Nevada.
- (f) State Board of Nursing.
- (g) Chiropractic Physicians' Board of Nevada.



- (h) Nevada State Board of Optometry.
- (i) State Board of Pharmacy.
- (j) Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors.
- (k) Real Estate Commission, Real Estate Administrator and Real Estate Division of the Department of Business and Industry.
- (l) Commission of Appraisers of Real Estate.
- (m) Commissioner of Mortgage Lending and Division of Mortgage Lending of the Department of Business and Industry.
- (n) Commissioner of Financial Institutions and Division of Financial Institutions of the Department of Business and Industry.

(o) *Private Investigator's Licensing Board.*

(p) State Board of Health and Division of Public and Behavioral Health of the Department of Health and Human Services.

2. Any regulatory body which is exempted from the provisions of this chapter pursuant to subsection 1 may elect by regulation to follow the provisions of this chapter or any portion thereof.

Sec. 1.1. Chapter 648 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3, 1.5 and 1.7 of this act.

Sec. 1.3. *"Information security" has the meaning ascribed to it in 44 U.S.C. § 3552. The term includes restoring the integrity, confidentiality and availability of information and information systems after a data breach, suspected data breach or other data security incident.*

Sec. 1.5. *"Registered employee" means a person to whom the Board has issued a registration pursuant to NRS 648.1493.*

Sec. 1.7. *The Board may revoke the registration of a registered employee if the Board finds, after a hearing conducted pursuant to NRS 648.166 and 648.170, that the registered employee:*

1. *Failed to disclose any fact or misstated or otherwise misled the Board with respect to any fact contained in any application for the issuance or renewal of a registration submitted to the Board by the registered employee;*

2. *On or after the date on which the Board issues a registration to the registered employee, the registered employee commits or attempts or conspires to commit any act prohibited by this chapter or any regulation adopted or order issued pursuant thereto; or*

3. *On or after the date on which the Board issues a registration to the registered employee, the registered employee is convicted of, or enters a plea of nolo contendere to, a felony or a crime involving moral turpitude or the illegal use or possession of a dangerous weapon.*



Sec. 2. NRS 648.005 is hereby amended to read as follows:

648.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 648.006 to 648.016, inclusive, *and sections 1.3 and 1.5 of this act* have the meanings ascribed to them in those sections.

Sec. 2.5. NRS 648.012 is hereby amended to read as follows:

648.012 **1.** "Private investigator" means any person who for any consideration engages in business or accepts employment to furnish, or agrees to make or makes any investigation for the purpose of obtaining ~~[, including, without limitation, through the review, analysis and investigation of computerized data not available to the public,]~~ information with reference to:

~~[1-]~~ **(a)** The identity, habits, conduct, business, occupation, honesty, integrity, credibility, knowledge, trustworthiness, efficiency, loyalty, activity, movement, whereabouts, affiliations, associations, transactions, acts, reputation or character of any person;

~~[2-]~~ **(b)** The location, disposition or recovery of lost or stolen property;

~~[3-]~~ **(c)** The cause or responsibility for fires, libels, losses, accidents or damage or injury to persons or to property;

~~[4-]~~ **(d)** A crime or tort that has been committed, attempted, threatened or suspected, except an expert witness or a consultant who is retained for litigation or a trial, or in anticipation of litigation or a trial, and who performs duties and tasks within his or her field of expertise that are necessary to form his or her opinion;

~~[5-]~~ **(e)** Securing evidence to be used before any court, board, officer or investigating committee; or

~~[6-]~~ **(f)** The prevention, detection and removal of surreptitiously installed devices for eavesdropping or observation.

2. The term does not include:

(a) Any person who is accessing exclusively public records, public databases or any other public information; or

(b) Any person who for any consideration engages in business or accepts employment to provide information security.

Sec. 3. NRS 648.018 is hereby amended to read as follows:

648.018 Except as to polygraphic examiners and interns, this chapter does not apply:

1. To any detective or officer belonging to the law enforcement agencies of the State of Nevada or the United States, or of any county or city of the State of Nevada, while the detective or officer is engaged in the performance of his or her official duties.

2. To special police officers appointed by the police department of any city, county, or city and county within the State



1 of Nevada while the officer is engaged in the performance of his or
2 her official duties.

3 3. To insurance adjusters and their associate adjusters licensed
4 pursuant to the Nevada Insurance Adjusters Law who are not
5 otherwise engaged in the business of private investigators.

6 4. To any private investigator, private patrol officer, process
7 server, dog handler or security consultant employed by an employer
8 regularly in connection with the affairs of that employer if a bona
9 fide employer-employee relationship exists, except as otherwise
10 provided in NRS 648.060, 648.140 and 648.203.

11 5. To a reposessor employed exclusively by one employer
12 regularly in connection with the affairs of that employer if a bona
13 fide employer-employee relationship exists, except as otherwise
14 provided in NRS 648.060, 648.140 and 648.203.

15 6. To a person engaged exclusively in the business of obtaining
16 and furnishing information as to the financial rating of persons.

17 7. To a charitable philanthropic society or association
18 incorporated under the laws of this State which is organized and
19 maintained for the public good and not for private profit.

20 8. To an attorney at law in performing his or her duties as such.

21 9. To a collection agency unless engaged in business as a
22 reposessor, licensed by the Commissioner of Financial Institutions,
23 or an employee thereof while acting within the scope of his or her
24 employment while making an investigation incidental to the
25 business of the agency, including an investigation of the location of
26 a debtor or his or her assets and of property which the client has an
27 interest in or lien upon.

28 10. To admitted insurers and agents and insurance brokers
29 licensed by the State, performing duties in connection with
30 insurance transacted by them.

31 11. To any bank organized pursuant to the laws of this State or
32 to any national bank engaged in banking in this State.

33 12. To any person employed to administer a program of
34 supervision for persons who are serving terms of residential
35 confinement.

36 13. To any commercial registered agent, as defined in NRS
37 77.040, who obtains copies of, examines or extracts information
38 from public records maintained by any foreign, federal, state or
39 local government, or any agency or political subdivision of any
40 foreign, federal, state or local government.

41 14. To any holder of a certificate of certified public accountant
42 issued by the Nevada State Board of Accountancy pursuant to
43 chapter 628 of NRS while performing his or her duties pursuant to
44 the certificate.



15. To a person performing the repair or maintenance of a computer who performs a review or analysis of data contained on a computer solely for the purposes of diagnosing a computer hardware or software problem and who is not otherwise engaged in the business of a private investigator.

16. To any person who for any consideration engages in business or accepts employment to provide information security.

Sec. 4. NRS 648.033 is hereby amended to read as follows:

648.033 1. The Board shall maintain a public record of:

(a) The business it transacts at its regular and special meetings; and

(b) The applications received by it together with the record of the disposition of each application.

2. Except as otherwise provided in NRS 239.0115, information obtained by the Board from other than public sources concerning the:

(a) Financial condition; or

(b) Criminal record,

↳ of an applicant or a licensee is confidential and may be revealed only to the extent necessary for the proper administration of the provisions of this chapter.

3. The Board may release information described in subsection 2 to an agency of the Federal Government, of a state or of a political subdivision of this State.

4. The Board shall adopt by regulation a procedure for notifying the applicant or licensee of the release of confidential information pursuant to subsections 2 and 3. The Board shall release information described in subsection 2 concerning an applicant or licensee to the applicant or licensee upon request.

5. Except as otherwise provided in this section and NRS 239.0115, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action against a person are confidential, unless the person submits a written statement to the Board requesting that such documents and information be made public records.

6. The charging documents filed with the Board to initiate disciplinary action ~~[pursuant to chapter 622A of NRS]~~ and all other documents and information considered by the Board when determining whether to impose discipline are public records.

7. The provisions of this section do not prohibit the Board from communicating or cooperating with or providing any documents or other information to any other licensing board or any other agency



1 that is investigating a person, including, without limitation, a law
2 enforcement agency.

3 **Sec. 5.** NRS 648.040 is hereby amended to read as follows:

4 648.040 1. There is hereby created in the State General Fund
5 the Fund for the Private Investigator's Licensing Board, to be
6 administered by the Board.

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

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

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

20 5. Except as otherwise provided in subsection 7, the money in
21 this Fund may be used to:

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

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

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

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

30 6. ~~[In a manner consistent with the provisions of chapter 622A~~
31 ~~of NRS, the]~~ **The** Board may delegate to a hearing officer or panel
32 its authority to take any disciplinary action pursuant to this chapter,
33 impose and collect fines therefor and deposit the money therefrom
34 in the State Treasury for credit to the Fund for the Private
35 Investigator's Licensing Board.

36 7. If a hearing officer or panel is not authorized to take
37 disciplinary action pursuant to subsection 6, the Board shall deposit
38 the money collected from the imposition of fines with the State
39 Treasurer for credit to the State General Fund. In such a case, the
40 Board may present a claim to the State Board of Examiners for
41 recommendation to the Interim Finance Committee if money is
42 needed to pay attorney's fees or the costs of an investigation, or
43 both.



Sec. 6. NRS 648.060 is hereby amended to read as follows:

648.060 1. Except as otherwise provided in NRS 253.220, no person may:

(a) Engage in the business of private investigator, private patrol officer, process server, reposessor, dog handler, security consultant, or polygraphic examiner or intern; or

(b) Advertise his or her business as such, irrespective of the name or title actually used,

↪ unless the person is licensed pursuant to this chapter.

2. No person may be employed by a licensee unless the person is registered pursuant to this chapter. The provisions of this subsection do not apply to a person licensed pursuant to this chapter.

~~[3. A person licensed pursuant to this chapter may employ only another licensee, or a nonlicensed person who:~~

~~—(a) Is at least 18 years of age.~~

~~—(b) Is a citizen of the United States or lawfully entitled to remain and work in the United States.~~

~~—(c) Is of good moral character and temperate habits.~~

~~—(d) Has not been convicted of a felony or a crime involving moral turpitude or the illegal use or possession of a dangerous weapon.~~

~~—(e) Is registered pursuant to this chapter.]~~

Sec. 7. NRS 648.080 is hereby amended to read as follows:

648.080 Every application for a license must contain:

1. A detailed statement of the applicant's personal history on the form specified by the Board. If the applicant is a corporation, the application must include such a statement concerning each officer and director.

2. A statement of the applicant's financial condition on the form specified by the Board. If the applicant is a corporation, the application must include such a statement concerning each officer and director.

3. The complete address of the principal place of business of the applicant ~~[in this State]~~ and of each branch office or other place of business of the applicant. ~~[in this State.]~~

4. The business or businesses in which the applicant intends to engage and the category or categories of license he or she desires.

5. A complete set of fingerprints which the Board may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

6. A recent photograph of the applicant or, if the applicant is a corporation, of each officer and director.

7. Evidence supporting the qualifications of the applicant in meeting the requirements for the license for which he or she is applying.



8. If the applicant is not a natural person, the full name and residence address of each of its partners, officers, directors and manager, and a certificate of filing of a fictitious name.

9. Such other facts as may be required by the Board to show the good character, competency and integrity of each signatory.

Sec. 8. NRS 648.100 is hereby amended to read as follows:

648.100 1. The Board shall require an applicant to pass a written examination for an initial license and may require an applicant to pass an oral examination. Examinations must be given at least four times a year.

2. The Board shall conduct ~~[such]~~ *an* investigation of an applicant, including the directors and officers of a corporate applicant, as it considers necessary. An applicant shall deposit with the Board at the time of making an initial application for any license a fee of \$750 for the first category of license and \$250 for each additional category of license for which application is made, which must be applied to the cost of conducting the investigation. ~~[An individual applicant who is a resident of Nevada is liable for the entire cost of the investigation up to a maximum cost of \$1,500 for the first category of license and \$500 for each additional category of license for which application is made. A corporate applicant or an individual applicant who is not a resident of Nevada is liable for the entire cost of the investigation.]~~ Each applicant must pay the entire fee for which he or she is liable before taking an examination.

3. The Board may refuse to grant a license if it determines that the applicant has:

(a) Committed any act which if committed by a licensee would be a ground for the suspension or revocation of a license under this chapter.

(b) Committed any act constituting dishonesty or fraud.

(c) Demonstrated untruthfulness or a lack of integrity.

(d) Been refused a license under this chapter or had a license revoked.

(e) Been an officer, director, partner or manager of any firm, partnership, association or corporation which has been refused a license under this chapter or whose license has been revoked.

(f) While unlicensed, performed any act for which a license is required by this chapter.

(g) Knowingly made any false statement in the application.

(h) Refused to provide any information required by the Board.

4. The Board shall provide the applicant with a copy of the report of the investigation within a reasonable time after it receives the completed report.



Sec. 9. NRS 648.140 is hereby amended to read as follows:

648.140 1. Any license obtained pursuant to the provisions of this chapter gives the licensee or any bona fide employee of the licensee authority to engage in the type of business for which he or she is licensed in any county or city in the State of Nevada. A county or city shall not enact ordinances regulating persons licensed pursuant to this chapter, except general business regulations designed to raise revenue or assure compliance with building codes and ordinances or regulations concerning zoning and safety from fire.

2. Except for polygraphic examiners and interns, a licensee may employ, in connection with his or her business, as many ~~{persons registered pursuant to this chapter}~~ *registered employees* as may be necessary, but at all times every licensee:

(a) Shall ensure that each registered ~~{person}~~ *employee* employed in this State by the licensee is supervised by ~~{a}~~ *the* licensee *or his or her qualifying agent* who is physically present in this State; and

(b) Is accountable for the good conduct of every person employed by the licensee in connection with his or her business.

3. Each licensee shall:

(a) Maintain at a location within this State records relating to the employment, compensation, licensure and registration of employees;

(b) Furnish the Board with the information requested by it concerning all *registered* employees ; ~~{registered pursuant to this chapter, except clerical personnel;}~~ and

(c) Notify the Board within 3 days after such employees begin their employment.

Sec. 10. NRS 648.142 is hereby amended to read as follows:

648.142 1. The license, when issued, shall be in such form as may be determined by the Board and shall include:

(a) The name of the licensee.

(b) The name under which the licensee is to operate.

(c) The number and date of the license.

(d) The expiration date of the license.

(e) If the licensee is a corporation, the name of the person or persons affiliated with the corporation on the basis of whose qualifications such license is issued.

(f) The classification or classifications of work which the license authorizes.

2. The license shall at all times be posted in a conspicuous place in the licensee's principal place of business . ~~{in this State.}~~

3. Upon the issuance of a license, a pocket card of such size, design and content as may be determined by the Board shall be



1 issued without charge to each licensee, if an individual, or if the
2 licensee is a person other than an individual, to its manager and to
3 each of its officers, directors and partners, which card shall be
4 evidence that the licensee is duly licensed pursuant to this chapter.
5 When any person to whom a card is issued terminates his or her
6 position, office or association with the licensee, the card shall be
7 surrendered to the licensee and within 5 days thereafter shall be
8 mailed or delivered by the licensee to the Board for cancellation.

9 4. A licensee shall, within 30 days after such change, notify the
10 Board of any and all changes of his or her address, of the name
11 under which the licensee does business, and of any change in its
12 officers, directors or partners.

13 5. A license issued under this chapter is not assignable.

14 **Sec. 11.** NRS 648.148 is hereby amended to read as follows:

15 648.148 1. Each licensee shall:

16 (a) Maintain a principal place of business ; ~~fin this State;~~ and

17 (b) File with the Board the complete address of his or her
18 principal place of business , ~~fin this State;~~ including the name and
19 number of the street, or, if the street where the business is located is
20 not numbered, the number of the post office box. The Board may
21 require the filing of other information for the purpose of identifying
22 such principal place of business.

23 2. Every advertisement by a licensee soliciting or advertising
24 business shall contain the licensee's name and the number of the
25 licensee's license as they appear in the records of the Board.

26 **Sec. 12.** NRS 648.1493 is hereby amended to read as follows:

27 648.1493 1. To obtain a registration, a person must:

28 (a) Be a natural person;

29 (b) File a written application for registration with the Board;

30 (c) Comply with the applicable requirements of this chapter; and

31 (d) Pay an application fee set by the Board of not more than
32 \$135.

33 2. An application for registration must include:

34 (a) A fully completed application for registration as an
35 employee;

36 (b) A passport size photo;

37 (c) A completed set of fingerprint cards or a receipt for
38 electronically submitted fingerprints of the applicant submitted as
39 required by the Board; and

40 (d) Any other information or supporting materials required
41 pursuant to the regulations adopted by the Board or by an order of
42 the Board. Such information or supporting materials may include,
43 without limitation, other forms of identification of the person.

44 3. Except as otherwise provided in this chapter, the Board shall
45 issue a registration to an applicant if:



(a) The application is verified by the Board and complies with the applicable requirements of this chapter; and

(b) The applicant:

(1) *Is at least 18 years of age;*

(2) *Is a citizen of the United States or lawfully entitled to remain and work in the United States;*

(3) Is of good moral character and temperate habits;

~~[(2)]~~ (4) Has not been convicted of, or entered a plea of nolo contendere to, a felony or a crime involving moral turpitude or the illegal use or possession of a dangerous weapon;

~~[(3)]~~ (5) Has not made a false statement of material fact on the application; and

~~[(4)]~~ (6) Has not violated any provision of this chapter, a regulation adopted pursuant thereto or an order of the Board.

4. Upon the issuance of a registration, a pocket card of such size, design and content as may be determined by the Board will be issued without charge to each registered ~~[person,]~~ *employee*, and will be evidence that the ~~[person]~~ *employee* is duly registered pursuant to this chapter.

5. A registration issued pursuant to this section and the cards issued pursuant to subsection 4 expire 5 years after the date the registration is issued, unless it is renewed. To renew a registration, the holder of the registration must submit to the Board on or before the date the registration expires:

(a) A fully completed application for renewal of registration as an employee;

(b) A passport size photo;

(c) A completed set of fingerprint cards or a receipt for electronically submitted fingerprints of the applicant submitted as required by the Board;

(d) A renewal fee set by the Board of not more than \$135; and

(e) Any other information or supporting materials required pursuant to the regulations adopted by the Board or by an order of the Board. Such information or supporting materials may include, without limitation, other forms of identification of the person.

6. A denial of registration may be appealed to the Board. The Board shall adopt regulations providing for the consideration of such appeals.

Sec. 13. NRS 648.160 is hereby amended to read as follows:
648.160 1. The Board may, upon its own motion:

(a) Investigate the actions of any person holding or claiming to hold a license ~~[(1)]~~ *or registration*.

(b) Authorize a representative of the Board to issue a notice of violation to any licensee or *registered employee or any* applicant for a license *or registration* who, based upon probable cause, has



1 violated a requirement of this chapter, or any standard, rule or order
2 adopted or issued pursuant to this chapter.

3 2. The Board shall, upon the filing with it of a verified written
4 complaint by any person setting forth facts which, if proven, would
5 constitute grounds for refusal, suspension or revocation of a license
6 ~~H~~ *or registration*, investigate the actions of any person holding or
7 claiming to hold a license ~~H~~ *or registration*.

8 3. The Board has the power of subpoena in any proceeding
9 before the Board pursuant to this chapter concerning the activity of
10 an unlicensed person *or unregistered employee* or discipline of a
11 licensee ~~H~~ *or registered employee*. If any person refuses to respond
12 to a subpoena, the Board shall certify the facts to the district court of
13 the county where the hearing is being conducted. The court shall
14 thereupon issue an order directing the person to appear before the
15 court and show cause why he or she should not be punished as for
16 contempt. The order and a copy of the certified statement must be
17 served on the person. Thereafter the court has jurisdiction of the
18 matter. The same proceedings must be had, the same penalties may
19 be imposed and the person charged may purge himself or herself of
20 the contempt in the same way, as in the case of a person who has
21 committed a contempt in the trial of a civil action.

22 **Sec. 13.5.** NRS 648.164 is hereby amended to read as follows:

23 648.164 1. The failure of a licensee *or registered employee*
24 to comply with a notice of violation after it is final is a ground for
25 suspension or revocation of the *person's* license ~~H~~ *or registration*.

26 2. The failure of an applicant for ~~license~~ *a license or*
27 *registration* to comply with a notice of violation after it is final is a
28 ground for denial of the *person's application for a* license ~~H~~ *or*
29 *registration*.

30 **Sec. 14.** NRS 648.165 is hereby amended to read as follows:

31 648.165 1. The Board may issue to a person who has violated
32 NRS 648.060 a citation.

33 2. Such a citation must be in writing and describe with
34 particularity the nature of the violation. The citation must also
35 inform the person of the provisions of subsection 5. A separate
36 citation must be issued for each such violation.

37 3. If appropriate, the citation must contain an order to cease
38 and desist conduct fixing a reasonable time for abatement of the
39 violation. If the order to cease and desist conduct is directed to a
40 business, the order must expressly state that it applies to any person
41 acting in the name of the business regardless of whether any such
42 person is alleged to have previously violated any of the provisions
43 of this chapter.

44 4. The Board ~~shall~~ *may* assess an administrative fine of:

45 (a) For the first such violation, *not more than* \$2,500.



1 (b) For the second such violation, *not more than* \$5,000.

2 (c) For the third or subsequent such violation, *not more than*
3 \$10,000.

4 5. To appeal the finding of such a violation, the person must
5 request a hearing by written notice of appeal to the Board within 30
6 days after the date of issuance of the citation.

7 **Sec. 14.5.** NRS 648.174 is hereby amended to read as follows:

8 648.174 If a licensee *or registered employee*, or *an* applicant
9 for a license *or registration*, has engaged in repeated acts which
10 would be grounds for disciplinary action, but has corrected the
11 conditions resulting from those acts, the correction of those
12 conditions does not preclude the Board or its authorized
13 representative from taking action against the person pursuant to
14 NRS 648.160.

15 **Sec. 15.** NRS 648.177 is hereby amended to read as follows:

16 648.177 Upon receiving written notification of a suspension,
17 revocation or refusal to renew a license ~~§~~ *or registration*, the
18 holder of the license *or registration* shall immediately surrender the
19 license *or registration* to the Board.

20 **Sec. 16.** NRS 648.200 is hereby amended to read as follows:

21 648.200 It is unlawful for any licensee or any *registered*
22 *employee or other* employee, security guard, officer or member of
23 any licensee:

24 1. To divulge to anyone, except as he or she may be so
25 required by law to do, any information acquired by him or her
26 except at the direction of the employer or client for whom the
27 information was obtained.

28 2. To make a false report to his or her employer or client.

