



North Carolina Department of Public Safety

Private Protective Services Board

Roy Cooper, Governor
Erik Hooks, Secretary

Pamela Cashwell, Chief Deputy Secretary
Brian Jones, Director

**MINUTES OF THE
PRIVATE PROTECTIVE SERVICES BOARD MEETING
FEBRUARY 13, 2020
HAMPTON INN & SUITES
3920 ARROW DRIVE
RALEIGH, NC 27612**

BOARD MEMBERS PRESENT

David Arndt
Ron Burris
John Aldridge
Nada Lawrimore
David Stephens
Gerry Stickl
Samuel Russell
Debra Duncan
Steve Johnson
Tamara Rabenold
Stacy Buff
Kim Heffney
Bud Cesena

BOARD MEMBERS ABSENT

Jerry Pitman

STAFF PRESENT

Brian Jones - Director
Paul Sherwin – Deputy Director
Jeff Gray – Attorney
Kim Odom – Field Services Supervisor
Ray Bullard – Training Officer/Investigator

GUESTS PRESENT

MAILING ADDRESS:
3101 Industrial Drive, Suite 104
Raleigh, NC 27609



OFFICE LOCATION:
3101 Industrial Drive, Suite 104
Raleigh, NC 27609
Telephone: (919) 788-5320
Fax: (919) 715-0371

Greg Hatten
Allen Brooks
Richard Allen
Jerry Winstead
Ruth Cruz-Nichols
Julie Turner

Sandra Epley
William Patterson
Brandy Lee
Don Miller
Mallie Bisette
Harry House

Andy Renfrow
Jeff Kiker
Johnny Mims
Ralph Stephenson
Scott Siano

CALL TO ORDER

Mr. Arndt called the February 13, 2020, Private Protective Services Board meeting to order at 9:08 a.m. Mr. Buff led the group in the Pledge of Allegiance followed by Chairman Arndt welcoming all guests.

STATE ETHICS LAW

Attorney Jeff Gray explained the State Ethics Act, which addresses the ethics of public officials. This Act states specifically that if any Board member has any conflict of interest, potential conflict of interest, or the appearance of a conflict, he or she should remove themselves from deliberation and vote on that matter and so state on the record.

PUBLIC COMMENT

Mr. Arndt introduced Jason Speller.

Jason Speller presented to the Board examples of new PPS logos that his graphic designer had created, suggesting that the Board should consider adopting a new logo.

MINUTES

APPROVAL OF THE DECEMBER BOARD MEETING MINUTES.

MOTION BY MR. CESENA TO ACCEPT THE DECEMBER 19, 2019 MINUTES; SECONDED BY MR. STICKL; MOTION CARRIED.

SCREENING COMMITTEE REPORT

Mr. Buff stated that the Screening Committee met on Wednesday, February 12, 2020 from 1:30 p.m. to 3:22 p.m. to review a total of 45 applications. The Committee members included Mr. Buff, Mr. Stephens, Mr. Heffney, Mr. Russell and Ms. Duncan. Mr. Buff read the report for the record.

MOTION BY MS. DUNCAN TO ACCEPT THE SCREENING REPORT WITH THE EXCEPTION OF #21; SECONDED BY MR. STEPHENS; MOTION CARRIED.

MOTION BY MS. DUNCAN TO ACCEPT #21, SHAREA HOPE HOLLEY; SECONDED BY MR. CESENA; MOTION CARRIED.

Mr. Russell recused himself from #21, Sharea Hope Holley.

GRIEVANCE COMMITTEE REPORT

Mr. Burris reported that the Grievance Committee met on Wednesday, February 12, 2020 from 9:15 a.m. to 11:15 a.m. and heard a total of nine cases. The Committee members included Mr. Burris, Mr. Aldridge, Mr. Johnson, Ms. Rabenold and Mr. Cesena. Mr. Burris read the report for the record.

MOTION BY MR. JOHNSON TO ACCEPT THE GRIEVANCE COMMITTEE REPORT; SECONDED BY MR. RUSSELL; MOTION CARRIED.

TRAINING & EDUCATION COMMITTEE

Mr. Cesena reported that the Training & Education Committee met on Thursday, February 13, 2020 from 8:00 a.m. until 9:06 a.m. The Committee members included, Mr. Johnson, Mr. Buff, Mr. Stickl, Mr. Stephens, Mr. Russell and Mr. Arndt.

Unarmed Guard Trainer Course and Workshop at Wake Tech. Community College

February 10-14, 2020
May 4-8, 2020
July 13-17, 2020
September 14-18, 2020
November 16-20, 2020

Firearms Trainer Recertification/Prequalification at N.C. Justice Academy, Salemburg

March 23, 2020
May 18, 2020
July 13, 2020
September 2, 2020
November 16, 2020

Firearms Instructor Course at N.C. Justice Academy, Salemburg

March 30-April 2, 2020
September 8-11, 2020

Long Gun Instructor Recertification Course at Camp Butner

April 7, 2020

The following PPSB Training Courses for CEU Credit are scheduled:

February 13, 2020	1-5 p.m.	Raleigh, NC
April 23, 2020	1-5 p.m.	Raleigh, NC
June 18, 2020	1-5 p.m.	Raleigh, NC
August 20, 2020	1-5 p.m.	Raleigh, NC
October 15, 2020	1-5 p.m.	Raleigh, NC
December 17, 2020	1-5 p.m.	Raleigh, NC

Weapon Discharge/Incident Reports:

Security Plus Protection Services, LLC

On Tuesday, December 24, 2019 at 11:02 p.m. Melvin Lowery, the Qualifying Agent for Security Plus Protective Services, LLC, emailed Private Protective Services (PPSB). The purpose of the email was to inform PPSB that an armed security guard, Marvin Daniel Staton, employed by Security Plus Protective Services had discharged his weapon. Lowery advised that Charlotte Mecklenburg Police Department (CMPD) was investigating the incident.

Investigator Bullard received a copy of the CMPD incident report. According to the CMPD report, Marvin Danial Staton was working an armed post at the 7/11 convenience store located at 1501 North Tryon Street, Charlotte, North Carolina. A patron of the convenience store, George Agee, Jr, became disruptive and combative with the clerk. Agee assaulted the clerk with a "Caution Wet Floor" sign. Staton instructed Agee to leave the store. Agee struck Staton in the head with an unknown black object causing Staton to fall to the ground. Staton removed his handgun and fired three rounds striking Agee. Agee left the convenience store on foot. Staton returned to the inside of the store to tend to the cut on his head caused by the black object used by Agee. Agee was located a short distance from the convenience store by responding emergency personnel. Agee was transported to the hospital where he was pronounced dead.

Investigator Bullard contacted Melvin Lowery. Lowery advised that Staton was on duty and assigned to work an armed post from 4pm until 10pm at the 7/11 convenience store located at 1501 North Tryon Street, Charlotte. Lowery also advised that Staton had been charged with Second Degree Murder.

Investigator Bullard queried PPSM (Permitium) and discovered that Marvin Danial Staton was a properly registered Armed Guard for Security Plus Protection Services, LLC. According to the CMPD report Staton was carrying a Smith and Wesson, SD9, 9mm handgun. The CMPD report does not list a serial number for the handgun seized from Staton. According to the Training Certificate submitted to PPSB with Staton's Armed Registration Application Staton was qualified on a Smith and Wesson SD9, 9mm handgun.

On January 9, 2020, Security Plus Protective Services, LLC terminated the Armed Registration of Marvin Staton, therefore PPSB is unable to issue a Summary Suspension.

4-Seasons Security Agency

On Tuesday, January 21, 2020, Julius Jamaal McKinney, the Qualifying Agent for 4-Seasons Security Agency came to Private Protective Services to report a weapon discharge by Michael Brent Dixon. McKinney advised that Dixon was working an armed post on January 19, 2020 at the Cook Out located at 1020 N. Wesleyan Blvd., Rocky Mount, North Carolina. McKinney advised that the Rocky Mount Police Department were called to investigate the incident.

On Friday, January 24, 2020 Investigator Bullard received a typed statement about the incident via First Class Mail. The typed statement indicated that Dixon was working an armed post at the Cook Out from midnight until 4 a.m. Dixon had parked his patrol vehicle in the parking lot and was walking across the drive-thru lanes to reach his post. A vehicle came from behind the restaurant and traveled down the drive-thru lane toward Dixon. The vehicle did not stop at the ordering location but continued toward Dixon. Dixon removed his handgun and challenged the vehicle to stop. The vehicle continued toward Dixon. Dixon fired one round into the ground in front of the vehicle. The vehicle swerved onto the curb and drove around Dixon. The vehicle exited the Cook Out onto Highway 301 and left the area. Dixon checked with the employees of the business for any injuries. There were none. Dixon then reported the incident to the Rocky Mount Police Department (RMPD).

On Friday, January 31, 2020 Investigator Bullard contacted Detective Sergeant Joyner with the Rocky Mount Police Department. Joyner advised that he has not had the opportunity to investigate the incident any further. Joyner advised that his intention was to interview Dixon and then decide whether to seek charges or not. Joyner advised that he would notify PPSB if the decision was made to charge Dixon criminally.

Jason Speller addressed the Committee about trainers not having to be employed or contracted by a specific company. Specifically, he expressed a desire that trainers be allowed to operate independent of a licensee. Director Jones responded that staff and the Board were acting in accordance with the current law and administrative rules.

Mr. Cesena recused himself from the Committee and requested that the Training and Education Committee grant him eight (8) hours of continuing education credit for development of the long gun instructor manual and course.

MOTION BY MR. RUSSELL TO GRANT MR. CESENA EIGHT (8) HOURS OF CONTINUING EDUCATION CREDIT FOR DEVELOPMENT OF THE LONG GUN INSTRUCTOR MANUAL AND COURSE; SECONDED BY MR. STEPHENS; MOTION CARRIED.

Mr. Johnson and Mr. Cesena recused themselves from voting on allowing Mr. Cesena continuing education credit for development of the long gun instructor manual and course.

Mr. Bullard reported that there were twenty (20) applications for continuing education course approval:

- Service of Process (six hours)
- Rural Surveillance for Private Investigators (twelve hours)
- Bomb Threats Preparedness and Response (two hours)

Weapons of Mass Destruction Awareness (four hours)
Developing an Investigative Strategy (Online and Classroom) (two hours)
Understanding Disability (Online and Classroom) (two hours)
Recognizing Fraud/Legal Definitions (Online and Classroom) (two hours)
Introduction to Corporate Protection (eight hours)
Right & Wrong and Everything in between: Ethics for Legal Investigators (two hours)
An Investigator's Guide to the Justice System (one hour)
The Four Pillars of Trust: Ethics for Legal Investigators (one hour)
Disaster Planning and Preparedness (four hours)
Law Enforcement DRAW School Firearms Training (Online) (four hours)
Law Enforcement DRAW School Firearms Training Level 1 (twelve hours)
Solo Protection Agent-Part 1 (four hours)
Advanced Security Officer Training (four hours)
What PI's Need to Know About Computer Forensics (two hours)

Mr. Bullard reported that there were twenty-six (26) applications for continuing education course renewals:

Pre-Employment Screening (4)
Insurance Fraud (4)
White-collar Crime (4)
Interviewing (4)
Civil Process (4)
Interrogation (4)
Background Investigation (4)
Testifying (4)
Surveillance (four hours)
Note Taking (four hours)
Business Practice, Part 2 (two hours)
Nature of Terrorism (two hours)
Tactics of Terrorist (two hours)
Executive Protection (four hours)
Report Writing (four hours)
Ethics (two hours)
Arson Investigation (six hours)
SDR Software Defined Radio in TSCM (eight hours)
Fraud Awareness Training (Online and Classroom) (four hours)
Auto Theft, Arson, and Rate Evasion (Online and Classroom) (four hours)
Advanced Security Officer Training (twelve hours)
Solo Protection Agent- Part 1 (twelve hours)
Solo Protection Agent- Part 2 (twelve hours)
Solo Protection Agent- Part 3 (twelve hours)

MOTION BY MR. HEFFNEY TO APPROVE THE COURSES SUBMITTED FOR CONTINUING EDUCATION TRAINING; SECONDED BY MS. RABENOLD; MOTION CARRIED.

MOTION BY MR. STEPHENS TO ACCEPT THE REPORT BY THE TRAINING AND EDUCATION COMMITTEE; SECONDED BY MR. STICKL; MOTION CARRIED.

LAW AND RULES COMMITTEE

Mr. Johnson stated that the Law and Rules Committee met on February 12, 2020 from 7:30am until 8:23am and considered four items. First, Mr. Johnson provided the final version of Board Bylaws to the Committee for its approval. Next, and at the request of licensee Leroy Everhart, the Committee asked staff to revise the personal reference form for the Committee's consideration. The form will be provided to the person making the reference by the applicant with the instruction that the form be returned directly to the Private Protective Services office and not the applicant. Third, the Committee instructed the Board's attorney to clarify what it means to be "engaged in the practice of law" in reference to an attorney being involved in private investigative work. Finally, the Committee requested a rules interpretation about the private investigator's badge being "displayed in a folding pocket case with the badge displayed on one side of the case and the Private Investigator's pocket credential, that is issued by the Board, displayed on the opposite side of the case" until such time that a rule change can be made. During the Committee's discussion of this item Greg Hatten, President of the NCAPI, spoke and agreed with the Committee's interpretation that the badge should not be displayed in any form or fashion on the private investigator and should only be used for identification purposes when asked.

Mr. Johnson provided the Board with a copy of the Bylaws that had been approved by the Committee.

MOTION BY MR. CESENA TO ADOPT THE BYLAWS AS WRITTEN; SECONDED BY MS. DUNCAN; MOTION CARRIED.

MOTION BY MR. CESENA TO ACCEPT THE LAW AND RULES COMMITTEE'S REPORT; SECONDED BY MR. BURRIS; MOTION CARRIED.

ETHICS COMMITTEE

Ms. Duncan reported that everyone's Ethic's Training was currently up to date. Ms. Duncan also reminded everyone that their Statement of Economic Interest was due by April 15, 2020 and currently all but three members have completed their SEI.

MOTION BY MR. JOHNSON TO ACCEPT THE ETHICS LIAISON'S REPORT; SECONDED BY MR. STEPHENS; MOTION CARRIED.

EMERGING TECHNOLOGY COMMITTEE

Mr. Aldridge reported that the Emerging Technology Committee met on Tuesday, February 11, 2020 from 3:30pm until 5:05pm. Mike Sheron, Special Agent with the North Carolina State Bureau of Investigations, offered a presentation to the Committee about the state and federal guidelines that regulate Unmanned Aircraft Systems (“UAS,” a/k/a “drones”) and their usage. Mr. Aldridge presented to the Committee and the Board a set of guidelines pertaining to Unmanned Aircraft Systems to be posted on the website.

MOTION BY MS. RABENOLD TO ACCEPT THE GUIDELINES PERTAINING TO UNMANNED AIRCRAFT SYSTEMS AND ALSO POST THEM ON THE WEBSITE; SECONDED BY MR. ARNDT; MOTION CARRIED.

MOTION BY MR. CESENA TO ACCEPT THE EMERGING TECHNOLOGY COMMITTEE’S REPORT; SECONDED BY MR. HEFFNEY; MOTION CARRIED.

FINANCE COMMITTEE

Mr. Stickl reported that he had reviewed the financial reports provided by Director Jones and he did not see any concerns.

MOTION BY MS. DUNCAN TO ACCEPT THE FINANCE COMMITTEE’S REPORT; SECONDED BY MR. JOHNSON; MOTION CARRIED.

OLD BUSINESS:

None

NEW BUSINESS:

None

Break 9:54 a.m.
Reconvened 10:20 a.m.

FINAL AGENCY DECISION

Joseph McNeil Nettles - 19 DOJ 03746. Mr. Nettles was present. This case was heard by Administrative Law Judge Melissa Owens Lassiter on November 19, 2019. This case involved the denial of the Petitioner's unarmed guard registration based on a lack of good moral character and temperate habits as evidenced by a conviction of one count of misdemeanor Larceny in Chatham County, NC.

MOTION BY MR. BURRIS TO ACCEPT THE ADMINISTRATIVE LAW JUDGE’S DECISION AND GRANT MR. NETTLE’S UNARMED GUARD REGISTRATION APPLICATION; SECONDED BY MS. DUNCAN; MOTION CARRIED.

John Robert Haynes - 19 DOJ 04919. Mr. Haynes was not present. This case was heard by Administrative Law Judge Melissa Owens Lassiter on November 19, 2019. This case involved the summary suspension order of Petitioner's security guard & patrol license based on a lack of good moral character and temperate habits as evidenced by a charge of one count of felony 2nd Degree Sexual Offense.

MOTION BY MR. BURRIS TO UPHOLD THE SUMMARY SUSPENSION INDEFINITELY; SECONDED BY MR. JOHNSON; MOTION CARRIED.

Keawannah Shawnte White, - 19 DOJ 05468. Ms. White was not present. This case was heard by Administrative Law Judge Melissa Owens Lassiter on November 19, 2019. This case involved the denial of the Petitioner's unarmed guard registration based on a lack of good moral character and temperate habits as evidenced by a conviction of one count of A1 misdemeanor Assault Inflicting Serious Injury in Craven County, NC.

MOTION BY MR. BURRIS TO ACCEPT THE ADMINISTRATIVE LAW JUDGE'S DECISION TO DISMISS; SECONDED BY MR. ALDRIDGE; MOTION CARRIED.

DIRECTOR'S REPORT:

Director Jones read the report for the record. He reported the Board's revenue as of January 31, 2020 was \$824,012.55 with expenditures in the amount of \$855,240.69, reflecting a decrease to the fund balance of \$31,288.14. The total fund balance was \$1,133,722.51. He reported the Education Fund balance was \$109,827.55. Director Jones reported that since the last Board meeting, PPS had received 4,386 registration applications, 120 applications for licensure and 46 certifications, which brought the active numbers for registration to 25,072, license holders to 2,426 and certification holders 535. Staff printed 4,211 cards since the last meeting.

Director Jones reported that the investigator's position in Fayetteville has been vacant since Scott Moller's resignation several months ago. Due to evolving workload demands, he reassigned the position to Raleigh.

Director Jones reported that pursuant to N.C.G.S. 74C-4(h) and in accordance with the MOU between the Department of Public Safety (DPS) and the Board, DPS transferred the annual administrative services fee of \$37,500.00 in January 2020.

Director Jones stated that as of February 11, 2020, staff had processed armed guard applications submitted through January 15, 2020 and unarmed guard applications submitted through January 14, 2020.

Director Jones stated that a Permittium representative met with PPS employees on January 9th to discuss the status of support items. He also stated that Permittium has added the capability to search for trainers. The feature can be found at <https://bit.ly/2w1uTha>.

Director Jones stated that effective February 11, 2020, the application system will automatically email renewal notices 90 days prior to the license expiration date.

On January 14th, PPS received a memorandum from the State Bureau of Investigation (SBI), which conveyed that the SBI would no longer provide fingerprint cards effective February 1, 2020. The memorandum explained that, “An electronic submission of fingerprint images provides a more efficient and effective background check with a reduced response time.” Electronic fingerprint locations can be found at <https://bit.ly/2H92AzK>.

Details are being finalized and will be communicated to all licensees soon.

Director Jones announced that the Private Protective Services Board will accept grant applications from February 14, 2020 until 5:00 p.m. on April 26, 2020. The guidelines and application can be located on the PPS website. DPS will announce the grant application solicitation on its social media platforms.

Director Jones reminded the Board had excess funds in the Education Fund greater than the required statutory minimum of fifty thousand dollars (\$50,000.00), which may be converted to offset the operating expenses of the Board, provided that the Board makes findings of fact supporting the need to make the conversion. He also reminded the Board that the conversion could only be made by a unanimous vote of the Board. Director Jones mentioned that there were a number of expenses related to employee training and equipment that could not be accomplished with existing operating funds.

MOTION BY MR. CESENA TO CONVERT \$50,000.00 FROM THE EDUCATION FUND TO THE OPERATING EXPENSE ACCOUNT AFTER FINDING THAT THE CONVERSION WAS NECESSARY TO ACQUIRE EQUIPMENT AND EMPLOYEE TRAINING THAT COULD NOT BE ACCOMPLISHED WITH NOW EXISTING OPERATING FUNDS; SECONDED BY MS. DUNCAN; MOTION CARRIED UNANIMOUSLY.

In an ongoing effort to reduce paper waste and complete the transition to an electronic application process, PPS has eliminated its fax machines. Accordingly, documents related to applications for licenses and registrations should be uploaded using Permitium. Any other documents should be emailed. Employee email addresses are provided on the staff roster, which is available on the DPS website.

MOTION BY MR. CESENA TO ACCEPT THE DIRECTOR’S REPORT; SECONDED BY MR. STICKL; MOTION CARRIED.

ATTORNEY'S REPORT

Attorney Gray discussed the following:

I. CONSENT AGREEMENT, SETTLEMENT AGREEMENTS & CIVIL PENALTIES

1. On June 20, 2019 Sione Atu Latu/Security On Call, LLC entered into a Consent Agreement with the Board in the amount of \$13,096.80 for registration violations. The temporary agreement was not signed. Signature on the return receipt is illegible and the signature date was omitted. Payment has not been received. On December 19, 2019 the Board issued a cease and desist to Sione Latu and Security On Call, LLC for failure to pay the agreed amount of \$13,096.80. The Committee requested Board Legal Counsel Gray to initiate a civil action to collect.
2. On August 22, 2019 Lance Adrian Jones Sr. /Safe & Secure Worldwide Protection enter into a Consent Agreement with the Board in the amount of \$183.60 for registration violations. The temporary agreement was signed by QA Lance Jones Sr. on August 21, 2019. Paid in full.
3. On October 24, 2019 Michael Angelo Staton/Lyon Shield Security entered into a Consent Agreement with the Board in the amount of \$2,448.00 for registration violations. The temporary agreement was signed by QA Michael Staton on October 23, 2019. To be paid in three monthly installments. Payment has not been received.
4. On December 19, 2019 Jeffrey LaRe/The Whitestone Group of Ohio, Inc., entered into a Consent Agreement with the Board in the amount of \$5,140.80 for registration violations. The temporary agreement was signed by QA Jeffrey LaRe on December 18, 2019. To be paid in two monthly installments. Payment has not been received.
5. On December 19, 2019 Tracy Burke/East Coast Protective Services, Inc., entered into a Consent Agreement with the Board in the amount of \$5,287.68 for registration violations. The temporary agreement was signed by QA Tracy Burke on December 18, 2019. Payment has not been received.
6. On December 19, 2019 Pamela Mayfield/United Security entered into a Consent Agreement with the Board in the amount of \$6,168.96 for registration violations. The temporary agreement was signed by QA Pamela Mayfield on December 18, 2019. Paid in full
7. On December 19, 2019 Fawn Zakor/Bering Global Solutions (Screening) entered into a Consent Agreement with the Board in the amount of \$425.00 for registration violations. Paid in full.
8. On December 19, 2019 Richard Dale Beougher II/HSS, Inc. (Screening) entered into a consent agreement with the Board in the amount of \$375.00 for registration violations. Paid in full.

II. ADMINISTRATIVE RULES

a. At its meeting on February 22, 2018, the Board began the process for its Periodic Review of Rules to occur in August 2018. The report for the Board's rules was filed and the Public Comment Period ended May 8, 2018. No public comments were received. The Board voted at its June 21, 2018 meeting to approve all of its existing rules.

The Board's rule readoptions were on the Rules Review Commission's August 16, 2018 agenda. The report containing the final classification of the entirety of the Board's rules as "Necessary with Substantive Public Interest" was approved. At its October 25, 2018 meeting, the Board voted to readopt these rules. On November 16th the Notice of Text was filed to commence what is essentially the rulemaking process (i.e. 60-day comment period, public hearing, technical change requests, etc.). A copy of the administrative rule readoptions, were attached to Mr. Gray's December 20, 2018 Attorney's Report.

The Notice of Text for the readoptions was filed, the rules were published on the Board's website and in the North Carolina Register (Vol. 33; Issue 5; Feb. 1, 2019), and a Public Hearing was conducted on February 20, 2019. No written or oral comments were received. The Public Comment Period ended on April 2, 2019. These administrative rule readoptions were an attachment to Mr. Gray's April 25, 2019 Attorney's Report and approved by the Board that day. These rules were approved by the Rules Review Commission at its July 18, 2019, readopted by the Board at its October 2019 meeting, and then had to be re-submitted to the Commission, this time for review and approval as permanent rules.

These readoptions are now being re-filed for review by the Rules Review Commission in segments. The first set, consisting of 26 rules, were filed on November 20, 2019. Mr. McDarris and Mr. Gray received 30 pages of Requests for Technical Changes from the Staff Attorney for the Rules Review Commission. Due to the sheer volume of the Requests, and the need to meet with Board staff in order to respond to many of them, Mr. McDarris requested a 30 day extension of time to respond to the Requests which were otherwise due December 13, 2019.

Because of the importance of the on-line rules (*see, c., below*), it was necessary to file them even though the statutorily mandated re-adoption process was underway. Since these rules were amended during the re-adoption process for all PPSB rules, the RRC has allowed us to both amend and re-adopt the "permitium rules" at the same time.

This has created a very confusing, and somewhat contradictory process, therefore, once these 26 rules pass the RRC next week, we will go back and complete the statutorily mandated re-adoption of all remaining 70+ rules, likely in two but maybe three sets. **Until that time, all further amendments to the rules are being held in abeyance.**

b. At its June 2, 2018 meeting, the Board authorized me to proceed with drafting proposed amendments to the Board's administrative rules governing unarmed and armed guard courses and trainers. These amendments were prepared and forwarded to Members Bud Cesena and Steve Johnson for review and comment. They had some questions or concerns about the practical application of two of the amendments which were discussed at the August 23rd Education and Training Committee meeting. It was decided to not pursue these two proposed amendments, but proceed with the remaining proposed amendments. The Board approved these rule amendments at its October 24, 2018 meeting. The Notice of Text for these rules was filed on November 16, 2018 as part of the rule readoptions in a., above, and the 11 amended rules were the first segment of the periodic Review of Rules to be filed with the Rules Review Commission.

These 11 were originally scheduled to be considered by the Commission at its September 2019 meeting but the period of review was extended due to numerous Staff Objections. All but

one objection was resolved and the remaining 10 rules were considered at the Commission's October 17, 2019 meeting and approved. They were effective November 1, 2019.

One rule, 14B NCAC 16 .0804, received an objection because it did not set forth the criteria to be used by the Director to determine when an additional investigation is necessary. After discussing this rule with Director Jones, he and Mr. Gray agreed it was unnecessary and recommended to the Board it be repealed in lieu of addressing the objection. The Board voted to repeal .0804 at its October meeting and the appeal was approved at the Rules Review Commission's November meeting.

The latest version of the Board's administrative rules, which included the above, was provided to you and the staff at your December 19, 2019 meeting.

c. As previously mentioned to the Board during its creation and implementation, the new Permittum on-line licensing and registration system requires changes to the corresponding sections of the Board's administrative rules. With the assistance of Registration Supervisor Shannon Thongkheuang and Licensing Supervisor, Garcia Graham, and former Board Legal Counsel Charles McDarris, Mr. Gray prepared draft rules for the necessary changes and amendments which were approved at the Board's April 25, 2019 meeting. The Notice of Text was filed on July 22, 2019, and published on the PPSB's website on July 23, 2019 and in the North Carolina Register (Vol. 34; Issue 4; August 15, 2019). The Public Hearing was held on August 30, 2019 at the Board's office, and there was one from the public in attendance. The public comment period ended on October 14th with no public comment, oral or written. These rules as amended were adopted at the Board's October meeting and were filed with the Rules Review Commission for review and approval as a part of the submission for permanent rule filing for the Periodic Review of Rules process referenced in a., above.

d. At the August 22nd meeting, staff requested, and the Board approved allowing applicants for licensure and registration to submit fingerprints through approved systems -- known by the most common vendor name as "Live Scan" -- in addition to a traditional fingerprint card. MR. GRAY was instructed to prepare amendments to the corresponding administrative rules for applications. Those rule amendments were adopted at the Board's October meeting and the Notice of Text, which begins the formal rulemaking process, will be filed upon completion of the Periodic Review of Rules process.

e. Also at its August 22nd meeting the Board discussed allowing firearms trainers to train independent of a licensed company. Concern was expressed that if allowed, these trainers would not be covered by the company's insurance. Mr. Gray was instructed to prepare a rule amendment that would require an "independent" firearms trainer to have the liability insurance required by N.C. Gen Stat. § 74C-10(e). That amendment was made a part of 14B NCAC 16 .0902 and approved along with the two rule amendments referenced in d., above, and the Notice of Text will be filed at the same time.

III. LEGISLATION

a. At the request of the Law & Rules Committee, Mr. Gray prepared a new proposed bill for introduction in the current 2019-2020 Legislative Session. The bulk of this new bill is

identical to House Bill 566/Senate Bill 634 from the 2017-2018 Session but with the addition of one new provision voted on by the Board after introduction of these bills, as well as various technical changes you approved.

The Law & Rules Committee considered this new bill at its meeting on December 20, 2018. A copy was attached to Mr. Gray's December 21, 2018 Attorney's Report, and the proposed bill was discussed at the full Board meeting on December 21st where it was deferred to a special Board meeting. Another copy was e-mailed to all Board members and it was again discussed at a special Board meeting via telephone conference call on January 25, 2019. It was tabled for discussion until the Board's February 21st meeting and was approved with some minor modifications. It was introduced in the House as House Bill 630, "Private Protective Services Changes." A copy of the original version of House Bill 630 was attached to Mr. Gray's April 25, 2019 Attorney's Report.

House Bill 630 was heard in the House State & Local Government Committee on April 29th and following a minor technical amendment it received a unanimous vote for a Favorable Report and was referred to the House Finance Committee. It was heard in that Committee on May 29th where it was amended to include a rewrite of the law governing the Alarm Systems Licensing Board. With only two or three "nay" votes, it received a Favorable Report and was referred to the House Committee on Rules, Calendar, and Operations of the House on May 29, 2019, where it was amended to a Private Investigator to receive an endorsement on his or her existing license to perform Close Personal Protection (in lieu of a license) under certain circumstances. It received a Favorable Report. House Bill 630 passed the House on July 9th with minor floor amendment ("Chairman" to "Chair") and has been referred to the Committee on Rules and operations of the Senate.

A copy of House Bill 630 as it currently appears was attached to Mr. Gray's August 22, 2019 Attorney's Report.

b. House Bill 902, "Military-Trained/Spouse Licensure Practices," was introduced on April 16, 2019. This bill would require the Program Evaluation Division of the General Assembly to study the extent to which the provisions of Gen. Stat. § 93B-15.1 have improved the ability of military-trained applicants and military spouses to become licensed by occupational licensing boards. The PED's study is due to the Joint Legislative Oversight Committee on General Government and to the Department of Military and Veterans Affairs by February 1, 2020.

This bill passed the House 114-0 on May 2nd and has been referred to the Senate Rules Committee. (No copy attached.)

c. Senate Bill 553, "Regulatory Reform Act of 2019," is a broad-ranging bill addressing a myriad of laws from the limits on public employees benefitting from government contracts (raising the cap!), to amending the plumbing code, to amending the real estate licensing law, to repealing the ban on computer monitors and TVs being dumped in landfills. One provision, however, would effect the Board.

Section 4.(a) of this bill, if passed, would require all Gen. Stat. § 93B-1 boards to study and report to the Legislative Administrative Procedures Oversight Committee by December 31, 2019 any available options for on-line continuing education. This bill passed the Senate on June 11th after a single amendment ("Committee Substitute"), but was amended numerous times in

House committees and on the floor before passing the House on July 8th. Since that time it has been tied up in a joint Conference Committee. (No copy attached.)

**MOTION BY MR. ALDRIDGE TO ACCEPT THE ATTORNEY'S REPORT;
SECONDED BY MS. LAWRIKORE; MOTION CARRIED.**

**MOTION BY MS. DUNCAN TO ADJOURN; SECONDED BY MR. CESENA; MOTION
CARRIED.**

11:15 A.M. Adjourned

Brian R. Jones, Director

Garcia Graham, Board Secretary