



# North Carolina Department of Public Safety

## Private Protective Services Board

Roy Cooper, Governor  
Casandra Hoekstra, Interim Secretary

Vincent "Bud" Cesena, Chair  
Paul Sherwin, Director

**MINUTES OF THE  
TELEPHONE CONFERENCE AND IN PERSON  
NORTH CAROLINA PRIVATE PROTECTIVE SERVICES BOARD MEETING  
AUGUST 19, 2021, 9 a.m.  
3101 INDUSTRIAL DRIVE SUITE 104  
RALEIGH, NC 27609**

### **BOARD MEMBERS PRESENT**

Ron Burris  
Steve Johnson  
Jerry Pitman  
Stacy Buff

### **BOARD MEMBERS ABSENT**

### **BOARD MEMBERS PRESENT VIRTUALLY**

Nada Lawrimore  
David Stephens  
Gerry Stickl  
Samuel Russell  
Tamara Rabenold  
Kim Heffney  
Bud Cesena  
Gregory Scott  
Assata Buffaloe  
Debra Duncan

### **STAFF PRESENT**

Paul Sherwin – Director  
Jeff Gray – Attorney

### **STAFF PRESENT VIRTUALLY**

Amanda Rolle- Deputy Director  
CarolineValand - Chief Deputy Secretary  
Kim Odom – Field Services Supervisor  
Nick Ezell – Investigator  
Ray Bullard – Training Officer/Investigator  
Garcia Graham – P.P.S. Board Secretary  
Syconda Marrow- P.P.S. Board Secretary

#### **MAILING ADDRESS:**

3101 Industrial Drive, Suite 104  
Raleigh, NC 27609



#### **OFFICE LOCATION:**

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## **GUESTS PRESENT VIRTUALLY**

Michelle Sullins  
Drew Pollick  
Gregory Bentley  
Mike Walker  
Bill Wilke  
Lee Denney  
John Honeycutt  
William MacRae  
Julie Turner  
Allen Brooks  
David Bailey  
Shaun Marso  
David Bailey

## **CALL TO ORDER**

The August 19, 2021 meeting of the North Carolina Private Protective Services Board was called to order by Chairman Cesena at 9:00 a.m. Mr. Cesena led the group in reciting the Pledge of Allegiance, followed by roll call.

## **STATE ETHICS LAW**

Attorney Jeff Gray explained the State Ethics Act, which addresses the ethics of public officials. This Act specifically states 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.

## **ELECTION OF OFFICERS**

Mr. Gray conducted the elections. He read the new Bylaws regarding the elections of officers.

**MR. BUFF MADE A MOTION TO NOMINATE BUD CESENA AS CHAIRMAN, SECONDED BY MR. JOHNSON; MOTION CARRIED ON ROLL CALL VOTE.**

**MR. CESENA MADE A MOTION TO NOMINATE STEVE JOHNSON AS VICE-CHAIR, SECONDED BY MR. BUFF; MOTION CARRIED ON ROLL CALL VOTE.**

**MR. JOHNSON MADE A MOTION TO NOMINATE RON BURRIS AS CHAIR OF THE GRIEVANCE COMMITTEE; SECONDED BY MS. RABENOLD, MOTION CARRIED ON ROLL CALL VOTE.**

**MR. JOHNSON MADE A MOTION TO NOMINATE STACY BUFF AS CHAIR OF THE SCREENING COMMITTEE, SECONDED BY MR. HEFFNEY; MOTION CARRIED ON**

**ROLL CALL VOTE.**

**MR. BUFF MADE A MOTION TO NOMINATE BUD CESENA AS CHAIR OF THE TRAINING & EDUCATION COMMITTEE, SECONDED BY MR. RUSSELL; MOTION CARRIED ON ROLL CALL VOTE.**

**MR. CESENA MADE A MOTION TO NOMINATE STEVE JOHNSON AS CHAIR OF LAW AND RULES COMMITTEE, SECONDED BY MR. BUFF; MOTION CARRIED ON ROLL CALL VOTE.**

**MR. CESENA MADE A MOTION TO NOMINATE DEBRA DUNCAN AS THE BOARD'S ETHICS LIASION, SECONDED BY MR. STICKL; MOTION CARRIED ON ROLL CALL VOTE.**

**MR. CESENA MADE A MOTION TO NOMINATE TAMARA RABENOLD AS THE CHAIR OF THE EMERGING TECHNOLOGIES COMMITTEE, SECONDED BY MR. JOHNSON; MOTION CARRIED ON ROLL CALL VOTE.**

**MR. BUFF MADE A MOTION TO NOMINATE GERRY STICKL AS CHAIR OF THE FINANCE COMMITTEE, SECONDED BY MR. JOHNSON; MOTION CARRIED ON ROLL CALL VOTE**

The following members were thereby elected as an officer of the Board:

- Bud Cesena - Chair
- Steve Johnson- Vice Chair
- Ron Burris - Grievance Committee Chair
- Stacy Buff - Screening Committee Chair
- Bud Cesena - Training & Education Committee Chair
- Steve Johnson – Law and Rules Committee Chair
- Debra Duncan - Ethics Liaison
- Tamara Rabenold – Emerging Technologies Committee Chair
- Gerry Stickl - Finance Committee Chair

**FINAL AGENCY DECISION**

None

**MINUTES**

**APPROVAL OF THE JUNE 2021 BOARD MEETING MINUTES.**

**MOTION BY MR. STEPHENS TO ACCEPT THE JUNE 17, 2021 MINUTES, SECONDED BY MR. HEFFNEY; MOTION CARRIED ON ROLL CALL VOTE.**

**SCREENING COMMITTEE REPORT**

Mr. Buff stated that the Screening Committee met on Wednesday, August 18, 2021, from 1:05 p.m. to 4:15 p.m. to review a total of 41 applications and 1 addendum. This was a closed meeting. The Committee members included Mr. Buff, Mr. Scott, Mr. Stephens, Mr. Russell, Mr. Heffney, and Ms. Duncan. Mr. Buff read the report for the record.

Mr. Buff reported that the Committee also heard two registration denial appeals: Joseph Loggins unarmed guard registration (Renewal) and Shirley Edens armed guard registration (New) were both approved.

Mr. Buff stated that Director Sherwin invited Dorian Dehnel with CriminalRecordCheck.com, who gave a presentation on allowing their company the ability to conduct personal reference checks for new P.P.S. applicants. Mr. Buff stated that there is no cost to P.P.S., and this will help streamline the process for the agency and the industry. He stated that the Screening Committee would recommend to the full Board a vote implement this process.

**MOTION BY MR. BUFF TO MOVE FORWARD WITH ALLOWING CRIMINALRECORDCHECK.COM TO ADD PERSONAL REFERENCE CHECKS WHEN CONDUCTING A BACKGROUND CHECK FOR ALL NEW PPS APPLICANTS; SECONDED BY MR. RUSSELL; MOTION CARRIED ON ROLL CALL VOTE.**

**MOTION BY MS. DUNCAN TO ACCEPT THE SCREENING REPORT; SECONDED BY MS. RABENOLD; MOTION CARRIED ON ROLL CALL VOTE.**

Mr. Stephens recused himself from voting on #27 Kenneth Conrad Miller and #31 David Bradford Russell

#### **GRIEVANCE COMMITTEE REPORT**

Mr. Burris reported that the Grievance Committee met on Wednesday, August 18, 2021, from 8:30 a.m. to 12:13 p.m., and heard a total of 9 cases. This was a closed meeting. The Committee members included Mr. Burris, Mr. Johnson, Ms. Rabenold, Ms. Lawrimore, Mr. Pitman, and Mr. Stickl. Mr. Burris read the report for the record.

**MOTION BY MR. RUSSELL TO ACCEPT THE GRIEVANCE COMMITTEE REPORT; SECONDED BY MS. RABENOLD; MOTION CARRIED ON ROLL CALL VOTE.**

#### **TRAINING & EDUCATION COMMITTEE**

Mr. Cesena reported that the T & E Committee met on Thursday, August 19, 2021, from 8:00 a.m. to 8:19 a.m.

Mr. Bullard reported on the following:

**The following P.P.S. Trainer courses are scheduled:**

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

September 20-24, 2021  
November 15-19, 2021  
February 7-11, 2022  
April 25-29, 2022  
September 26-30, 2022  
November 5-9, 2022

Firearms Trainer Recertification/Prequalification

Camp Butner:

November 4, 2021 (Handgun and Long Gun)

Salemburg:

September 1, 2021  
November 22, 2021 (Handgun and Long Gun)  
March 2, 2022  
May 11, 2022  
June 22, 2022

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

September 14-17, 2021  
April 4-7, 2022

Long Gun Instructor Course at Camp Butner:

November 2-4, 2021

Completed Training:

July 12-16, 2021-Unarmed Guard Instructor Course  
June 23, 2021-Firearms Recertification  
July 12, 2021-Firearms Recertification

Topics for Discussion:

Northern Regional Hospital Grant Application  
Club Onyx video of weapon discharge by Marquit Gary

## Weapon Discharges:

On June 21, 2021, Jimmy Henley, Qualifying Agent for Special Security Patrol, contacted P.P.S.B. and advised of a weapon discharge by Aaron Charles Locklear, an armed security guard employed by Special Security Patrol. On June 22, 2021, Henley forwarded a typed statement to Investigator Bullard detailing the events that happened. According to the report, on June 20, 2021, at approximately 12:15 a.m., a company police officer employed by North Carolina Special Police and armed security guards employed by Special Security Patrol were working at Club Halo, located at 1501 Skibo Road, Fayetteville, North Carolina. The company police officer was attempting to arrest the driver of a 2003 Hummer. The vehicle began driving off at a high rate of speed with the company police officer partially in the vehicle. Locklear fired one round from his duty weapon into the back glass of the vehicle. The police officer then freed himself from the vehicle, and the vehicle left the area. Henley contacted the District Attorney's office and requested the North Carolina State Bureau of Investigation (S.B.I.) to investigate the incident. At the time of this report, the case is still under investigation by the S.B.I.

Investigator Bullard queried P.P.S.M. (Permitium) and discovered that Locklear was a properly registered armed security guard. Locklear was qualified to carry a Glock Model 22, .40 Caliber handgun, serial number BMAZ166. On July 5, 2021, Henley terminated the armed registration of Locklear.

On July 6, 2021, Queontezze Arness Riley, Qualifying Agent for Alliance Protection Services, L.L.C., emailed Investigator Bullard to advise of a weapon discharge. The email advised that Riley was working an armed post on Sunday, July 5, 2021, at the N.V. Lounge and Bar located at 510 Nunnally Road, Pelham, North Carolina. Riley advised that at approximately 3:00 a.m., an altercation erupted between two individuals. Riley tried to de-escalate the situation, and a third individual began punching one of the original two men involved in the altercation. Riley walked toward the exit door to stop others from coming into the business. Riley was confronted by a male subject, later identified as Derrick Clark, with a handgun. Riley attempted to stop Clark. Clark stepped by Riley and walked toward the altercation. Clark began to raise the handgun toward the crowd of people. Riley drew his handgun and fired two rounds, striking Clark. Clark fled the area and was transported to the hospital by personal vehicle. The Caswell County Sheriff's Office was called to investigate.

Investigator Bullard spoke with Sgt. Kevin Mitchell with the Caswell County Sheriff's Office. Mitchell advised that Clark was transported by personal vehicle to the hospital in Roanoke, Virginia. Clark had two gunshot wounds, one to the right shoulder and one on the lower side. Clark refused to be interviewed by Sgt. Mitchell. At the time of this report, Sgt. Mitchell does not anticipate any charges being filed against Riley. Sgt. Mitchell also verified that Riley was carrying a Glock, Model 17, 9mm handgun.

Investigator Bullard queried P.P.S.M. (Permitium) and discovered that Riley was a properly registered armed guard for Alliance Protection Services, L.L.C. Riley was qualified to carry a Glock, model 17, 9mm handgun, serial number BERC593.

Mr. Cesena stated that the Committee reviewed the grant application that was submitted by Northern Regional Hospital, Public Safety Department. The Committee decided to table it until the October 2021 Board meeting in order to get more information or clarification about the grant request.

**MOTION BY MS. RABENOLD TO TABLE THE GRANT REQUEST BY NORTHERN REGIONAL HOSPITAL UNTIL OCTOBER 2021 BOARD MEETING; SECONDED BY MR. RUSSELL; MOTION CARRIED ON ROLL CALL VOTE**

Mr. Cesena reported that the T & E Committee reviewed one application for continuing education credits: After discussion by the full Board, they decided to table this matter until the next Board meeting to allow Mr. Mullinax to attend.

**MOTION BY MS. RABENOLD TO TABLE THE COURSES SUBMITTED BY MR. MULLINAX UNTIL THE OCTOBER 2021 BOARD MEETING; SECONDED BY MR. RUSSELL; MOTION CARRIED ON ROLL CALL VOTE.**

Mr. Cesena stated that Mr. Bullard had brought to the Committee's attention that the Board had previously voted on utilizing the date of October 15, 2021, for the trainer certification class due to having limited access to the training facility. The Committee recommends that the Board extend the date from October 15 to November 30, 2021.

**MOTION BY MR. CESENA TO EXTEND THE TRAINER CERTIFICATION DATE FROM OCTOBER 15, 2021 TO NOVEMBER 30, 2021, SECONDED BY MR. RUSSELL; MOTION CARRIED ON ROLL CALL VOTE.**

In the interest of time the committee did not view the video of the weapon discharge at Club Onyx. (No charges were filed in that matter.)

**MOTION BY MR. BURRIS TO ACCEPT THE REPORT BY THE TRAINING AND EDUCATION COMMITTEE; SECONDED BY MR. JOHNSON; MOTION CARRIED ON ROLL CALL VOTE.**

#### **LAW AND RULES COMMITTEE**

Mr. Johnson reported that the Committee met on Wednesday, August 18, 2021, from 4:35 p.m. to 5:00 p.m. Mr. Johnson stated that the Committee asked Mr. Gray to review current and pending legislation, which he will cover in his Attorney's Report.

Mr. Johnson stated that the Committee had previously discussed and reviewed 10 proposed administrative rules changes seven of which have been noticed so as to start the rule making process. The other three needed clarification and revised language. After review and discussion, there were changes made to two of the three rules. Mr. Johnson stated that the Committee recommends that the Board move forward with the two proposed rule changes:

14B NCAC 16 .0103(14) Qualifying agent  
14B NCAC 16 .0103 (15) Registered agent  
(New) 14BNCAC 16.0115 Complaints

**MOTION BY MS. LAWRIMORE TO MOVE FORWARD WITH THE PROPOSED CHANGES TO TWO RULES; SECONDED BY MR. STICKL; MOTION CARRIED ON ROLL CALL VOTE.**

### **ETHICS COMMITTEE**

Ms. Duncan reminded Board members of three requirements. First, she reminded members to file the Statement of Economic Interest which will be available in January until April 15. Second, members must complete the ethics training within six months of appointment and every two years thereafter. This training can be done online through the Ethics Commission website. She asked that if any members are having trouble accessing the link, please let her or the Commission Staff know. Finally, members must complete N.C.G.S. 93B-5 training administered by the Board's attorney within six months of appointment and again within two years. She also stated that failure to do these things may result in removal by appointing authority.

Ms. Duncan stated that she would send out a reminder email, and she reported that Mr. Pitman's ethics training is past due.

### **NEW BUSINESS:**

Mr. Cesena gave an update on the International Association of Security and Investigative Regulators (I.A.S.I.R.) representative for the P.P.S. Board. He stated Mr. Scott did not wish to be reappointed and recommended to the Board that Ms. Rabenold be the P.P.S. Board representative for I.A.S.I.R.

Director Sherwin stated that the Alarm System Licensing Board had voted Mr. Gray to an Alarm Board member representative, and to pay half of the expenses for Mr. Gray, a P.P.S. staff member to attend the I.A.S.I.R. conference to be held in Alabama October 27-29, 2021. Director Sherwin stated that the conference would be very informative with such topics as complaints and reciprocity. Mr. Cesena stated that he recommends to Board to allow Director Sherwin, P.P.S. Board member representative Ms. Rabenold, Mr. Gray, and a P.P.S. staff member to attend the I.A.S.I.R. conference.

**MOTION BY MR. BURRIS TO ALLOW DIRECTOR SHERWIN, A BOARD REPRESENTATIVE MS. RABENOLD, MR. GRAY, AND A PPS STAFF MEMBER TO ATTEND THE IASIR CONFERENCE; SECONDED BY MR. SCOTT; MOTION CARRIED ON ROLL CALL VOTE.**

Mr. Cesena Reported that the Board had been presented with the proposed meeting dates for 2022:



February 16-17, 2022 - Raleigh  
April 20-21, 2022 - Raleigh  
June 15-16, 2022 - Raleigh  
August 17-18, 2022 - Raleigh  
October 19-20, 2022 - Raleigh  
December 14-15, 2022 - Raleigh

**MOTION BY MR. SCOTT TO ACCEPT THE PROPOSED BOARD MEETING DATES;  
SECONDED BY MR. BURRIS; MOTION CARRIED ON ROLL CALL VOTE.**

**DIRECTOR'S REPORT:**

Director Sherwin read the report for the record. He reported the Board's revenue as of July 1, 2020, thru June 30, 2021, was \$1,447,458.44 with expenditures in the amount of \$(1,280,039.76), reflecting a decrease to the fund balance of \$167,418.68. The total fund balance was \$1,474,493.70. He reported the Education Fund balance was \$125,994.35. Director Sherwin reported that since the last Board meeting, the total active registrations for P.P.S. is 19,126, license holders 2,864, and certification holders 464.

Private Protective Services currently has four vacant positions:

Hickory-based Investigator – Recruitment in progress  
Administrative Assistant – Recruitment in progress  
Registration Application Processor (two positions)  
ASLB Secretary

Director Sherwin reported that the Alarm Systems Licensing Board Secretary Cynthia Anthony resigned from her position with Private Protective Services on August 13, 2021. She accepted a promotion to a supervisory position with the N.C. Department of Labor. While Cynthia has not worked directly with the P.P.S. Board for a few years, her expertise will be missed at P.P.S.

Department of Public Safety Secretary Erik Hooks resigned from his position on August 1, 2021. D.P.S. Chief Deputy Secretary of Administration Casandra Hoekstra was appointed by Governor Cooper on August 1, 2021, to serve as the Interim Secretary of D.P.S. until a new Secretary is confirmed.

The Registration Unit received 4% fewer registration applications in FY21 compared to FY20.  
Registration applications received Fiscal Year 20-21: 24,065  
(Fiscal Year 19-20: 25,050)

Director Sherwin reported that an examination of the Registration Unit's work productivity was recently completed as part of an analysis of the impact of telework procedures caused by the COVID-19 pandemic. He stated that the report showed that teleworking part-time is positively correlated with productivity within the Registration Unit, as the median time to process an application was reduced by 19 days (68%), and the median time to deliver (print and mail) a registration card was reduced by 11 days (27%).

## 2019 2020

Applications received: 31,199 Applications received: 28,438  
Median days to process: 28 Median days to process: 9  
Median days to deliver: 41 Median days to deliver: 30  
Processed within 30 days: 54% Processed within 30 days: 77%  
Delivered within 30 days: 32% Delivered within 30 days: 50%  
Processed within 90 days: 92% Processed within 90 days: 99%  
Delivered within 90 days: 89% Delivered within 90 days: 92% 4

The Licensing Unit received 18% fewer license applications in FY21 compared to FY20.  
License applications received Fiscal Year 20-21: 941  
(Fiscal Year 19-20: 1,142)

The Investigations Unit completed 9% fewer new license applicant background investigations in FY21 compared to FY20.

License applicant background investigations completed in Fiscal Year 20-21: 271  
(Fiscal Year 19-20: 299)

The Investigations Unit completed 73% more complaint investigations in FY21 compared to FY20.

Complaint investigations completed in Fiscal Year 20-21: 64  
(Fiscal Year 19-20: 37)

The Training Unit received 25% more trainer applications in FY21 compared to FY20.  
Trainer applications received Fiscal Year 20-21: 333  
(Same period in 2020: 266) 5

**MOTION BY MR. SCOTT TO ACCEPT THE DIRECTOR'S REPORT; SECONDED BY MS. RABENOLD; MOTION CARRIED ON ROLL CALL VOTE.**

### **ATTORNEY'S REPORT**

Attorney Gray discussed the following:

#### **I. CONSENT AGREEMENT, SETTLEMENT AGREEMENTS & CIVIL PENALTIES**

1. On February 18, 2021, Brian Dixon and Billy Hicks/ Security Innovations Protective Services L.L.C. entered into a Consent Agreement with the Board in the amount of \$3,060.00 for registration violations. Staff is to conduct a follow-up audit for 2020. The signed Consent Agreement has not been returned. Also, the licenses are suspended until the consent amount is paid in full. Payment has not been received. On June 17, 2021, the full Board voted to revoke the Security Guard & Patrol license held by Billy Hicks and Brian Dixon.

2. On April 22, 2021, Brian Scully/Garda CL East, Inc. entered into a Consent Agreement with the Board in the amount of \$2,019.60 for registration violations. QA Brian Scully signed the temporary agreement on April 20, 2021. Paid in full.
3. On April 22, 2021, Hector Falu/Falu Security entered into a Consent Agreement with the Board in the amount of \$1,285.20 for registration violations. QA Hector Falu signed the temporary agreement on February 11, 2021. Paid in full.
4. On April 22, 2021, John Brown/Southern Protection Agency entered into a Consent Agreement with the Board in the amount of \$979.20 for registration violations. QA John Brown signed the temporary agreement on April 5, 2021. Paid in full.
5. On June 17, 2021, Amanda Anne Kendall/ DSI Security Services entered into a Consent Agreement with the Board in the amount of \$3,794.40 for registration violations. QA Amanda Kendall signed the temporary agreement on March 15, 2021. Paid in full.

## II. ADMINISTRATIVE RULES

a. Although numerous amendments to the Board's administrative rules had been suggested and/or approved over many months, an informal "moratorium" on further rules changes imposed by staff to the Rules Review Commission prevented noticing any of these amendments. However, with the finalization of the Periodic Review of Rules process in August 2020, we were ready to resume.

Mr. Gray had collected all of the requested changes in a file and prepared a draft set of proposed amendments. These amendments, and one adoption, were considered first by the Law & Rules Committee at its October 2020 meeting, then approved by the full Board.

The Notice of Text for 19 rule amendments and one adoption was filed on December 7, 2020. The Public Hearing was held Tuesday, January 9, 2021, via WebEx, with numerous participants providing comments, and the Public Comment Period ended March 5, 2021. The public comments received were considered by the Law and Rules Committee at its April 12, 2021 meeting, and a recommendation has been made to the Board. A copy of these rule amendments was attached to Mr. Gray's April 22, 2021, Attorney's Report, and the Board voted to approve all proposed rules except the amendment to 14B N.C.A.C. 16 .0105.

The Submission for Permanent Rule form for each was submitted on May 13, 2021, and Mr. Gray received and replied to Requests for Technical Changes. The Rules Review Commission approved the rule amendments on June 17<sup>th</sup>. They were effective July 1, 2021.

A copy of the Board's current administrative rules reflecting these latest rule amendments was attached as Attachment 2.

b. At its April 2020 meeting, the Board adopted amendments to five administrative rules to help lessen the burden on applicants, licensees, and trainer certification holders during the lock-downs and travel bans enacted due to the COVID-19 pandemic. The amendment to 14B NCAC 16 .0201(e), .0806 (e), .0904(e), .1202(d), and .1203 first became emergency rules, and are now temporary rules. (Note: In .1203, the Board did not

add language but merely removed the last line of (g), which limited online courses to six hours and moved (h) to make it "(e)" in .1202.) Unless the Board took action for each change to become a permanent rule to be in effect for any future declared national or state of emergency, these rule amendments expired on April 30, 2021. A copy of each rule, as amended, was attached to Mr. Gray's April 22, 2021, Attorney's Report. The Board voted to make these rules permanent.

The Notice of Text was filed, and a Public Hearing was set for Tuesday, June 22, 2021, at 2:00 p.m. at the Board office. The Public Comment Period was to end on August 2, 2021. However, it was discovered prior to the Public Hearing date that the notice of the Public Hearing had not been posted on the Board's website as required, so a new Public Hearing date has been posted; it was Tuesday, August 17, 2021, at 2:00 p.m. at the Board's office. The new Public Comment Period ends October 1, 2021.

### III. LITIGATION

a. At its February 18, 2021, meeting, the Board instructed me to file a Motion to Show Cause as to William John Haglar, an unlicensed private investigator. He entered into a Consent Order in Wake County Superior Court in 2014 that he would not engage in any activity defined by Chapter 74C of the General Statutes as a "private protective service" in the State of North Carolina. Mr. Haglar has been caught performing private investigator services as recently as December 2020.

After confirming with the attorney who had filed an Affidavit of Service in a domestic case stating Mr. Haglar was a "private investigator" and that Mr. Haglar was not the attorney's agent or employee, Mr. Gray filed the Motion on March 30, 2021. Mr. Haglar was served at addresses in Florida and acknowledged receipt of the Motion by letter.

Mr. Gray noticed a hearing on the Motion for August 2, 2021. Mr. Haglar did not appear. However, the presiding Judge granted the Motion, and Mr. Haglar has been ordered to appear and show cause as to why he should not be held in civil or criminal contempt on August 30, 2021.

b. At its June 17, 2021 meeting, the Board instructed me to file a Motion to Show Cause as to Trini Lydell Hollins, who had -- and continues to! -- operate an unlicensed Security Guard and Patrol business in the Piedmont and South-central part of the State. He, and his partner, had entered into a Consent Order in Wake County Superior Court in 2020 that he would cease operations and not further engage in a private protective service unless licensed by the Board. It was discovered earlier this year that Mr. Hollins has continued to operate an unlicensed business, following the same *modus operandi* and employing both (untrained) armed and unarmed security guards.

Mr. Gray prepared and filed a Motion to Show Cause and noticed the hearing for August 2, 2021. Mr. Gray was unsuccessful at service on Mr. Hollins. A new hearing date has been requested, and Ms. Odom is working with Special Agents of the A.L.E. to assist with service.

### IV. LEGISLATION

a. House Bill 68, "G.S.C. Licensing Boards and Commissions/Rule Crime." Over the past 20 months, Mr. Gray has been reporting to the Board a study by the General Statutes Commission (the "G.S.C." in the title) to eliminate criminal penalties from city and county ordinances and from administrative rules. This bill addressed occupational licensing boards and repealed the Board's provision in N.C. Gen. Stat. § 74C-17 which made it a Class 1 misdemeanor to violate an administrative rule. It remains a misdemeanor to violate the Board's statutes.

This bill was ratified and signed by the Governor on August 8, 2021. A copy was attached as Attachment 3.

b. House Bill 157, "Property Finder Definition and Governance." A "property finder" is a person or business who, for a fee, seeks to locate, deliver, recover, or assist in the recovery of property that is distributable to the owner or presumed abandoned. Property finders in North Carolina must be licensed by the Office of State Treasurer. In most instances, the actions of a property finder also meet the definition of "private investigator" in N.C. Gen. Stat. § 74C-3(a)(8).

This bill would require all property finders licensed by the State Treasurer to also be licensed as a private investigators, without exception.

This bill passed the House on March 30, 2021, and has been referred to the Senate Committee on Rules. A copy was attached to Mr. Gray's April 22<sup>nd</sup> Attorney's Report.

However, in the House Pensions and Retirement Committee's June 22, 2021, meeting an amendment was added to a bill regarding "Combatting Fraud in the State Health Plan," which is Senate Bill 542, to add the entirety of HB 157 (i.e., "Property Finders Definition and Governance.") Since HB 157 passed the House back in late March, and has been sitting in the Senate Rules Committee unheard, Mr. Gray presume someone in the House wanted it through the Senate so has attached it to a bill the Senate had already passed. It is now in the House Rules Committee awaiting consideration.

This is a change we have wanted from the State Treasurer's Office for years. (Up until now, the State Treasurer's Office has said they could not require it, so we have had to chase these folks down and try to make them get a P.I. license.) The State Treasurer's Office did this at our request.

c. House Bill 349, "Traffic-Control Training Program." With limited exceptions, such as firemen and rescue squad members, any private citizen who directs traffic on a public highway in North Carolina must be authorized by the sheriff or chief of police. Many registered security guards have and maintain this authority. The current minimum age is 18, the training course is three hours, and the authorization card expires after two years.

This bill makes several changes to the law governing traffic control officers. It raises the age to 21, increases the training course to eight hours (four classrooms; four roadsides) to be taught by the Community College System, and extends the expiration of the authorization card to three years. It will also require proof of liability insurance.

This bill passed the House on May 6, 2021, and has been referred to the Senate Committee on Rules. (No copy attached.)

d. Senate Bill 424, "Private Protective Services Licensing Modifications." This bill is the Board's bill. (Note: Although the Board voted to agree with the Legislative Liaison for

D.P.S.'s suggestion that it be introduced as two bills, the bill sponsor combined the Close Personal Protection portions and the remaining substantive changes into one bill.)

This bill was referred to the Senate Committee on Rules on April 1, 2021, and has seen no action since. A copy was attached to Mr. Gray's June 17<sup>th</sup> Attorney's Report.

Mr. Gray talked with Susanna Davis, Legislative Liaison for D.P.S., on August 10<sup>th</sup> and answered questions for the Bill Sponsor. Ms. Davis is encouraged that this bill will begin to move soon.

**MOTION BY MR. SCOTT TO ACCEPT THE ATTORNEY'S REPORT; SECONDED BY MS. RABENOLD; MOTION CARRIED ON ROLL CALL VOTE.**

Mr. Cesena thanked Mr. Scott for his dedication and service to Board and the industry.

**MOTION BY MR. RUSSELL TO ADJOURN; SECONDED BY MR. JOHNSON; MOTION CARRIED ON ROLL CALL VOTE.**

10:50 a.m. Adjourned

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Paul Sherwin, Director

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Garcia Graham, Board Secretary