PROPOSED REGULATION OF THE STATE FIRE MARSHAL

LCB File No. R124-13

Sections 1 and 2 are revised to reflect changes from SB 439 of the 2011 general session establishing the State Board of Fire Services as the appeal body for decisions of the State Fire Marshal.

Sections 3 through – add disciplinary process details and administrative citations and fines contained in AB 424 of the 2013 general session. The details of the disciplinary process are drawn from materials already existing in NAC 624 and NAC 484 and include the specific requirement to have at least a three tiered penalty matrix per AB 424. The ability for the State Fire Marshal to appoint an independent administrative hearing officer is also included.

Section 1 NAC 477.315 is hereby amended to read as follows:

Disciplinary Action

NAC 477.315 Authority; grounds. (NRS 477.030)

- 1. The State Fire Marshal or the State Board of Fire Services upon appeal of a decision of the State Fire Marshal may refuse to issue or renew, or may suspend or revoke, any professional certificate, certificate of registration or license if he, she, or the Board determines or confirms on appeal that an applicant, licensee or registrant has:
- (a) Obtained or attempted to obtain a license or certificate of registration by fraud, misrepresentation or falsifying information required on an application form.
- (b) Has engaged in any act of dishonesty in connection with any test administered by or on behalf of the State Fire Marshal or any local fire agency or department of any jurisdiction of any state.
- (c) [Been found guilty of] Committed malpractice or incompetence in the practice of their trade, craft or profession, whether by a court of law or by an administrative agency of any state.
- [(c)] (d) Failed to obtain the necessary tools or materials required by the State Fire Marshal for performing the work for which the license was issued.
 - (d) (e) Failed to pay the annual fees for renewal of a license or certificate of registration.
- [(e)] (f) Violated any provision of this chapter three or more times within a 12-month period, except that any violation of any provision of this chapter that constitutes gross negligence or

reckless disregard for public safety shall constitute grounds for disciplinary action after only one such violation.

- (f) (g) Submitted payment for a license or certificate upon an account which has insufficient funds.
 - (g) (h) Been convicted of a felony.
- [(h)] (i) Refused to cooperate with the State Fire Marshal or the State Board of Fire Services in an investigation.
- (i) (j) Created an imminent hazard to life. For the purposes of this paragraph, an "imminent hazard to life" exists when:
- (1) A system to detect, suppress or protect against fire is reduced to less than 80 percent of its design standard by an action, whether malicious or not, of a licensee or holder of a certificate of registration; or
- (2) A fire appliance or device is made nonfunctional because more than 20 percent of the appliances or devices provided to a building or area become nonfunctional because of the improper service of a licensee or the holder of a certificate of registration.
 - (k) Agents or principals who have violated the provisions of this subsection.
- 2. The State Fire Marshal or the State Board of Fire Services upon appeal of a decision of the State Fire Marshal may revoke or suspend any certificate of registration or license if he or she determines that:
 - (a) It has been used by a person other than the person to whom it was issued.
 - (b) It has been used for a location other than that for which it was issued.
 - (c) It has been used for work other than that for which it was issued.
 - (d) Any of the conditions or limitations set forth in the license have been violated.
- (e) The person to whom the certificate or license was issued did not have the certificate or license on-site where work was being performed under the certificate or license, or failed to present the certificate or license upon the request of an authority having jurisdiction.
- 3. The State Fire Marshal or the State Board of Fire Services upon appeal of a decision of the State Fire Marshal may require any licensee or registrant who violates the provisions of this section to:
 - (a) Attend additional training courses approved by the State Fire Marshal; or
 - (b) Serve a period of probation.

- 4. All licenses and certificates of registration remain the property of the State Fire Marshal and may not be suspended or revoked by any other person.
 - 5. For the purposes of this section:
 - (a) A period of probation may not exceed 24 months.
- (b) A revocation is permanent and applies to any person who is found to be an accomplice to a violation, whether directly or indirectly.
 - (c) A suspension may not exceed 24 months.

Section 2 NAC 477.320 is hereby amended to read as follows:

NAC 477.320 Investigation; hearing. (NRS 477.030)

- 1. When the State Fire Marshal, the State Fire Marshal Division, or its investigators, receive written notice alleging fraud, misrepresentation, misconduct, malpractice, [or] incompetence, gross negligence, or reckless disregard of public safety on the part of any person licensed or certified under this chapter, the State Fire Marshal or investigators of the State Fire Marshal Division will conduct an investigation of the allegations. The investigation will concentrate on violations of regulations of this chapter, deceptive trade practices as set forth in chapter 598 of NRS, and other pertinent criminal and civil violations set forth in NRS. The use of any unauthorized, faulty or otherwise unacceptable equipment discovered during an investigation may be prohibited pending a final determination. A license or certificate will be suspended during an investigation if the investigation reveals conditions which the State Fire Marshal considers an imminent threat to public safety.
- 2. Pursuant to such an investigation, an investigator of the State Fire Marshal Division may issue a notice of alleged violations ("Notice of Alleged Violations") against a respondent for such issues. The Notice of Alleged Violations shall include:
 - (a) A statement of the time, place and nature of an administrative hearing ("Administrative Hearing") to address the Notice of Alleged Violations
 - (b) A short and plain statement of the type of administrative action that might be taken upon an adverse finding against the respondent at the Administrative Hearing, including but not limited to the denial, suspension, or revocation of an original or renewal license or certificate by the State Fire Marshal;

- (c) A short and plain statement of the legal authority and jurisdiction under which the administrative hearing is to be held.
- (d) A reference to the particular sections of the statutes and regulations involved, upon which the Notice of Violation is based.
- (e) A short and plain statement of the matters asserted.
- 3. A person who has been [denied an original or renewal license or certificate by the State Fire Marshal may request an administrative hearing within 10 days after notice of denial. A written request must be sent to the State Fire Marshal. The State Fire Marshal, upon receipt of a request for an administrative hearing, will take necessary action to schedule and administrative hearing.] issued a Notice of Alleged Violations may appear at the Administrative Hearing, and defend against the alleged violations, including by presenting evidence and argument on all issues involved.
- 4. The State Fire Marshal or his or her designated Hearing Officer shall preside over the Administrative Hearing, pursuant to which the State Fire Marshal or designated Hearing Officer shall render a final decision.
- 5. Decisions of the State Fire Marshal or Hearing Officer may be appealed to the State Board of Fire Services ("Board"), if written notice of such an appeal is received within ten days of receipt of such decision.
- [3] 6. The failure on the part of an applicant to pass tests required in this chapter does not constitute grounds to request [an administrative] a hearing and may not be appealed to the State Board of Fire Services.
- [4.] 7. If [an administrative hearing officer], upon appeal, the Board finds that the State Fire Marshal [has acted correctly, he or she may require restitution to the State Fire Marshal for the costs of the administrative hearing] or Hearing Officer reached a correct decision, the State Fire Marshal, Hearing Officer, or the Board may order the Respondent to pay restitution to the State Fire Marshal Division for the costs of the administrative hearing and the appeal. If [the administrative hearing officer], upon appeal, the Board finds that the [applicant, licensee or holder of the certificate] Respondent is guilty of a lesser offense, the State Fire Marshal, the Hearing Officer, or the Board may require the [applicant, licensee or holder, as appropriate,] Respondent to receive further training, [or] be retested, [or both] and further order the

Respondent to pay restitution to the State Fire Marshal Division for the costs of the hearing or the appeal, or any combination thereof.

[5.] 8. [An Administrative] The scheduling or holding of a hearing or appeal before the **Board** does not preclude the State Fire Marshal from proceeding with a criminal investigation. Any conviction resulting from a criminal investigation may be used as prima facie evidence in [an administrative] any hearing or appeal.

Sec. 3. Add the following new sections to NAC Chapter 477: **Hearings**

NAC 477.xxx Definitions. As used in NAC 477.xxx to 477.xxx, inclusive, unless the context otherwise requires, the words and terms defined in NAC 477.xxx to 477.xxx, inclusive, have the meanings ascribed to them in those sections.

NAC 477.xxx "Board" defined. (NRS 233B.050,) "Board" means the State Board of Fire Services.

NAC 477.xxx "Division" defined. (NRS 233B.050,) "Division" means the State Fire Marshal Division of the Nevada Department of Public Safety.

NAC 477.xxx "Hearing officer" defined. (NRS 233B.050,) "Hearing officer" means the State Fire Marshal or any person designated by the State Fire Marshal to conduct a hearing.

NAC 477.xxx "Party" defined. (NRS 233B.050,) "Party" means the petitioner, or the State Fire Marshal Division of the Department of Public Safety.

NAC 477.xxx "Petitioner" defined. (NRS 233B.050,) "Petitioner" means a person who requests a hearing.

NAC 477.xxx Scope. (NRS 233B.050,) NAC 477.xxx to 477.xxx, inclusive, provide procedures for any hearing authorized by statute to be conducted by the Department.

NAC 477.xxx Appearances and representation of parties. (NRS 233B.050,)

- 1. Appearances and representation of parties must be as follows:
- (a) A party is entitled to appear in person or be represented by his or her attorney.
- (b) One of the partners may appear for a partnership.
- (c) A corporate officer or an authorized regular employee of the corporation may appear for the corporation.
 - (d) An authorized officer, agent, or employee of a municipal corporation may appear for it.
- (e) A bona fide officer or an authorized officer or employee of an association may appear for it.
- 2. An attorney appearing as counsel in any proceedings must be an attorney at law, admitted to practice and in good standing before the highest court of any state. If the attorney is not admitted and entitled to practice before the Supreme Court of Nevada, he or she must be associated with an attorney licensed in Nevada in a manner consistent with the procedure established for such attorneys to appear as counsel in the courts of this State.

NAC 477.xxx Formal pleadings not required. (NRS 233B.050,) Unless otherwise required by NAC 477.xxx to 477.xxx, inclusive, formal written pleadings are not required, but a party may file with the hearing officer written points and authorities supporting his or her position.

NAC 477.xxx Correspondence; service of documents; fees; inspection of documents. (NRS 233B.050,)

- 1. All correspondence regarding any hearing must be addressed to the State Fire Marshal Division office's at 107 Jacobsen Way, Carson City, Nevada 89711.
 - 2. All documents shall be deemed served on:
- (a) The State Fire Marshal when received by the appropriate office at the address in subsection 1;
- (b) A respondent when they are mailed to the petitioner at the address specified in the request for a hearing or, if one is not specified, to his or her last known address as shown on the records of the State Fire Marshal; and

- (c) The State Fire Marshal when received by the legal office of the State Fire Marshal in the matter of an appeal of a decision by a hearing officer to a district court of this State.
- 3. Fees and remittances to the State Fire Marshal must be by money order, bank draft, or check payable to the Nevada State Fire Marshal Division.
- 4. A respondent may inspect, before the hearing, all documents which may be considered by the hearing officer as part of the case presented by the Nevada State Fire Marshal Division. The petitioner may have a copy made of a document originating from the Division upon payment of a fee to reimburse the Division for the cost of providing the copy.

NAC 477.xxx Postponement of hearings. (NRS 233B.050,)

- 1. A party may request a change of the date for the hearing. If the hearing officer grants a postponement of the hearing, a new date will be set which is not more than 30 days after the date scheduled for the first hearing except for good cause.
 - 2. Except for good cause, the request for a postponement of the hearing must:
 - (a) Be in writing;
 - (b) State the reason for the postponement; and
 - (c) Be received by the hearing officer no later than 5 days before the scheduled hearing.

NAC 477.xxx Failure to appear. (NRS 233B.050,)

- 1. Where the State Fire Marshal has served the petitioner with a notice of the time and place of the hearing and neither the petitioner nor the petitioner's attorney appears and that failure to attend is without good cause, the failure to attend shall constitute a default, which shall have the effect of a guilty finding, and the imposition of administrative penalties, as determined by the State Fire Marshal or Hearing Officer. The State Fire Marshal or Hearing Officer may conduct a hearing in the absence of petitioner, after a default has been taken to establish findings of fact or for other proper purposes, including assessing appropriate penalties, punitive action, and other administrative actions.
- 2. If the failure to appear was for good cause, the party may make a new request for a hearing, within a reasonable period. The State Fire Marshal or Hearing Officer will determine whether the failure to appear was for good cause and if so, grant a new hearing.

NAC 477.xxx Prehearing conference. (NRS 233B.050,)

- 1. A prehearing conference may be held, upon the motion of the hearing officer or upon the motion of any party, to formulate or simplify the issues, obtain admissions of fact and of documents which will avoid unnecessary proof, arrange for the exchange of proposed exhibits or prepared expert testimony, limit the number of witnesses, and consider any other matters which may expedite orderly conduct and disposition of the proceedings or a settlement of the matter.
- 2. Notice of the prehearing conference will be served on each party at least 7 days before the date set for the conference.
- 3. The action taken at the conference and the agreements made there by the parties will be made a part of the record and must be approved by the parties. When approved, the action controls the course of subsequent proceedings, unless otherwise stipulated by each party with the consent of the hearing officer.
- NAC 477.xxx Hearing officer; record. (NRS 233B.050,) Every hearing will be conducted before a hearing officer and the oral proceedings recorded by equipment for recording sound. The record will be retained for a period of 90 days after the date of the decision. A certified copy of the taped record will be made available to a party upon written request to the State Fire Marshal. The requesting party shall pay the cost of producing the copy.
- NAC 477.xxx Behavior at hearing. (NRS 233B.050,) If any person behaves in such a manner as to interfere with the orderly conduct of the hearing, the hearing officer will warn the person to cease the improper behavior. The warning will be part of the record. If the improper behavior continues or resumes, the hearing officer will exclude that person from the hearing.
- NAC 477.xxx Hearing conducted by Division: Manner of taking testimony; where conducted. Notwithstanding any specific statute to the contrary, with regard to any hearing required to be conducted by the Division pursuant to this chapter:
- 1. The testimony of any party or witness may be taken by telephone, videoconference or other electronic means; and

2. The hearing may be conducted at any location so long as the hearing officer allows each party and witness to testify by telephone, videoconference or other electronic means.

NAC 477.xxx Presentation of evidence. (NRS 233B.050,)

- 1. In all hearings, unless otherwise ordered by the hearing officer, the Division will present its evidence first and has the right of rebuttal.
- 2. When objection is made to the admissibility of evidence, the evidence will be received subject to a ruling by the hearing officer.
- 3. The affidavit of any person may be admitted into evidence. All parties have the right to present evidence to rebut the contents of any affidavit.
- 4. Witnesses may be questioned by the hearing officer. The hearing may be recessed by the hearing officer when necessary.
- 5. The hearing officer will adjourn the hearing for the submittal of further evidence or to hear further testimony when justice would not be served otherwise, and will adjourn the hearing at the request of any party for good cause shown, but for not more than 30 days after the date scheduled for the first hearing, except for cause.

NAC 477.xxx Fees and expenses of witnesses. (NRS 233B.050,)

- 1. Any witness appearing on behalf of the Division or testifying on behalf of the Division without service of a subpoena or pursuant to a subpoena, except a party or an officer or employee of the State testifying during his or her regular hours for work, is entitled to receive the same fees and expenses as are provided for witnesses in NRS 50.225.
- 2. A party requesting the issuance of a subpoena shall pay for the service of the subpoena and the fees and expenses of the witness.
- NAC 477.xxx Consolidation. (NRS 233B.050,) The State Fire Marshal may consolidate two or more proceedings in one hearing when it appears that the issues are substantially the same and the rights of the parties will not be prejudiced by the consolidation.

NAC 477.xxx Briefs; oral argument. (NRS 233B.050,)

- 1. Briefs which have been ordered by the hearing officer must be filed within the time allowed by the hearing officer and must be accompanied by an acknowledgment or affidavit showing service of the brief on the other parties.
 - 2. Oral argument may be allowed in support of written briefs or presentation of the case.

NAC 477.xxx Rehearing. (NRS 233B.050,)

- 1. If a petition for judicial review of the decision has not been filed, upon written application by a party within 20 days after service of a copy of the decision, a rehearing may be ordered upon such terms and conditions as the hearing officer considers just and proper. The application will not be granted except upon a showing that:
 - (a) A party was not properly served with a notice to appear; or
- (b) There is additional evidence which is material and good cause existed for the failure to present that evidence at the hearing.
- 2. The application must be supported by an affidavit of the party or his or her counsel showing cause for failing to appear or failing to present the evidence at the hearing.

Administrative Citation and Fine Schedule

NAC 477.xxx Administrative citation: Service; contents. A written administrative citation issued pursuant to NRS 477.xxx may be served by personal service on the person named in the administrative citation, or a designated representative thereof, or by certified mail to the address of record of the person and must include, to the extent applicable:

- 1. The name and last known business or residential address of the person;
- 2. A numbered identification of the person;
- 3. The date on which the citation is issued;
- 4. The number of the citation;
- 5. A list of the sections of this chapter or any applicable chapter of NRS which the person is alleged to have violated and a description of the alleged violation;
 - 6. Corrective actions, if any, ordered against the person;
 - 7. Administrative fines, if any, to be assessed against the person;

- 8. The reimbursement costs, if any, which the person is ordered to pay to cover the costs of any investigation;
 - 9. The date by which the person must complete any corrective actions ordered;
- 10. The date by which the person must pay any administrative fines or reimbursement of investigative costs;
- 11. A description of the manner in which the person may contest the citation, including, without limitation, the period during which the person may contest the citation and the consequences of failing to contest the citation timely;
- 12. The signature of the State Fire Marshal or his or her designee or the Chair of the State Board of Fire Services; and
 - 13. Any other information required by the State Fire Marshal or the Board.

NAC 477.xxx Administrative citation: Withdrawal. A written administrative citation issued pursuant to NRS 477.xxx may be withdrawn:

- 1. By the Board at any time.
- 2. By the State Fire Marshal:
- (a) Before the citation is deemed a final order of the Board; or
- (b) If the cited person contests the citation, before the commencement of the hearing required.

NAC 477.xxx Administrative fine: Specification of violation; amount.

- 1. If the State Fire Marshal or his or her designee or the State Board of Fire Services issues an administrative citation pursuant to NRS 477.xxx which includes an administrative fine, each such fine assessed by the State Fire Marshal or his or her designee or the Board must:
 - (a) Specify the violation for which the person is being cited;
- (b) Based on the number of occurrences the licensee or certificate holder has been found to have committed the same violation within the most recent 24 month period from the last occurrence; and

(c) Subject to the provisions of subsection 2, be in an amount which is not less than the amount designated for a first offense or more than the amount for a third offense as follows for the violation:

Violation First Offense Second Offense Third or Greater **Offense \$000** NRS 202.580(1) (removal, damage or **\$000 \$000** destruction of fire signal apparatus) NRS 202.580(2) (installation of inoperative fire protection systems) NRS 475.080 (obstruction – fire alarm communicating equipment) NRS 475.090 (obstruction – fire extinguishers) NRS 475.100 (false alarms – malicious) NRS 475.105 (theft of device) NRS 477.033 (failure to obtain license) NRS 477.223 or 477.224 (fire performer/ apprentice fire performer) Any section of NRS Chapter 477 not otherwise specified NRS Chapter 598 (deceptive trade practices) NAC 477.300, subsections (1) through (7) (contractor licensing) NAC 477.300(8) (fire alarm system password access) NAC 477.300(9) (certificate of registration holder on site) NAC 477.300, subsections (10) and (11) (system designer qualifications)

Greater

Offense

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NAC 477.313, subsections (4) and (5)
       (cheating)
NAC 477.315(1) (fraud, misrepresentation,
      falsifying information, malpractice,
       incompetence, failure to cooperate,
       creating an imminent hazard to life)
NAC 477.315(2) (misuse of certificate)
NAC 477.323(5) (explosives, blasting agents,
      fireworks permit)
NAC 477.405 (unapproved equipment)
NAC 477.420 (replacement of fire
       extinguishers)
NAC 477.422 (response to call for service)
NAC 477.425 (service tags – fire extinguishers)
NAC 477.470 (service tags – sprinklers)
NAC 477.483 (license requirements –
       residential sprinklers)
NAC 477.606 (commercial fireworks display)
NAC 477.620 (license requirements –
       magicians)
NAC 477.622 (license requirements – assistant
      pyrotechnic operators)
NAC 477. 624 (license requirements –
      pyrotechnic operators)
NAC 477.626 (supervision of assistant
      pyrotechnic operators)
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Greater Offense

NAC 477.631 (license requirements – flame effects assistant)

NAC 477.633 (license requirements – flame effects operator)

NAC 477.646 (fireworks, special effects incidents, injuries, hazards)

NAC 477.651 (fireworks, special effects records, reporting)

NAC 477.710 (explosives licensing)

NAC 477.720 (explosives misconduct)

NAC 477.730 (explosives reporting duty)

NAC 477.770 (license requirements –

hood/duct cleaners)

NAC 477.780 (hood/duct reporting requirements)

NAC 477.810 (standpipe systems)

NAC 477.850 (service tag – standpipes)

Any section of NAC Chapter 477 not otherwise specified

- 2. The State Fire Marshal or his or her designee or the Board will assess the fine listed in subsection 1 one offense category higher only if one or more of the following circumstances apply:
 - (a) The violation or violations have caused injury or death to any individual; or
- (b) The violation or violations involved a construction project costing more than \$1,000,000.

- NAC 477.xxx Order for corrective action: Determination to include in administrative citation. In addition to any other factors that the State Fire Marshal or the Board uses to determine whether an administrative citation issued pursuant to NRS 477.xxx should include an order for corrective action, the State Fire Marshal or the Board will consider:
- 1. The willingness of the owner of the property involved to allow such corrective action; and
- 2. A determination by the State Fire Marshal or his or her designee that the licensee is able to perform the corrective action.
- NAC 477.xxx Order for corrective action: Determination of time permitted for compliance. In determining the time permitted for compliance with an order for corrective action, as required to be stated in a written citation pursuant to NRS 477.xxx, the State Fire Marshal or the Board will determine the time for compliance with the order by considering, without limitation:
- 1. The accepted industry practice regarding the performance of the work necessary to comply with the order for corrective action, in the climate or weather conditions of the area in which the affected property is located.
- 2. The number of days during which the owner of the affected property will make the property available for the licensee to comply with the order for corrective action.
- 3. The time necessary to obtain materials required for the licensee to comply with the order for corrective action.

NAC 477.xxx Order for corrective action: Extension of time for compliance.

- 1. A licensee who is issued an administrative citation pursuant to NRS 477.xxx which includes an order for corrective action may request an extension of time to comply with the order.
 - 2. A request for an extension made pursuant to this section must:
 - (a) Be submitted in writing to the State Fire Marshal;
- (b) Set forth an explanation of the efforts made by the licensee to comply with the order for corrective action; and

- (c) Be received by the State Fire Marshal or his or her designee before the expiration of the time allowed for compliance with the order set forth in the citation.
- 3. The State Fire Marshal or his or her designee may, upon a showing of good cause, grant a request for an extension made pursuant to this section. The State Fire Marshal shall report to the Board at their next regularly scheduled meeting all time extension requests made and granted under this section.

NAC 477.xxx Order for corrective action: Responsibility of licensee for performance by hired licensee. If a licensee who is issued an administrative citation pursuant to NRS 477.xxx which includes an order for corrective action hires and pays another licensee to perform the corrective action, the cited licensee is responsible for any failure of the hired licensee to comply with the order for corrective action included in the citation.

Other Administrative Remedies

NAC 477.xxx Procedures for review of actions by the Division. (NRS 233B.050,) Any person who has reason to believe that an action by the State Fire Marshal Division of the Department of Public Safety or one or more staff members has been incorrect, or based on inadequate knowledge, may seek relief by the following procedures:

- 1. First, reliance must be placed on informal discussion with the staff member and the chief of the bureau which is concerned with the program in question.
- 2. If this discussion does not resolve the problem, an informal conference may be requested by letter to the Chief of the State Fire Marshal Division. The conference must be held at a place and time mutually agreed upon. The Chief of the State Fire Marshal Division of the Department of Public Safety and another bureau chief, to be designated by the State Fire Marshal, will be present. A written summary of the conference will be prepared. This summary will include a brief resume of the matters discussed, and the conclusions and recommendations resulting.
- 3. This section does not apply if there are statutes or regulations of the State Fire Marshal Division providing appellate procedures for a particular issue.

NAC 477.xxx Procedures for declaratory orders and advisory opinions. (NRS 233B.050,)

- 1. Any person with a direct and tangible interest who desires a declaratory order or advisory opinion regarding the applicability of any statutory provision, or a regulation or decision of the Division may petition by letter to the State Fire Marshal. Four copies of the petition must be submitted.
- 2. The State Fire Marshal will issue a declaratory order or an advisory opinion and mail it to the petitioner within 30 days.