

BEFORE THE NEVADA COMMISSION ON ETHICS

Request for Opinion No.14-66A

In the Matter of the First-Party Request for Advisory Opinion Concerning the Conduct of **Roger Zingre**, Former Emission Control Technician II, Division of Compliance Enforcement, Department of Motor Vehicles, State of Nevada,

Former Public Employee. /

<u>OPINION</u>

I. STATEMENT OF THE CASE

Roger Zingre ("Zingre"), former Emission Control Technician with the Nevada Department of Motor Vehicles ("DMV"), Division of Compliance Enforcement, requested this confidential advisory opinion from the Nevada Commission on Ethics ("Commission") pursuant to NRS 281A.440(1), regarding the propriety of his anticipated future conduct as it relates to the Ethics in Government Law ("Ethics Law") set forth in Chapter 281A of the Nevada Revised Statutes ("NRS"). A quorum of the Commission heard this matter October 15, 2014¹. Zingre appeared via teleconference and provided sworn testimony.

Zingre sought an opinion from the Commission regarding the applicability of the "cooling-off" requirements of the Ethics Law to his circumstances wherein he is seeking private employment as a mechanic from entities that were regulated by DMV.

After fully considering Zingre's request and analyzing the facts, circumstances and testimony presented by Zingre, the Commission deliberated and orally advised Zingre of its decision that the cooling-off provisions of the Ethics Law applied to his circumstances regarding employment as a licensed emissions inspector in the automotive industry and would not grant relief from strict application of the provisions for any employment related to vehicular emissions. However, the prohibition is limited to automotive work pertaining to emissions and not applicable to general mechanic work. Additionally, Zingre was advised to refrain from advising or counseling his future employer regarding any DMV emission control compliance requirements for one year after leaving State service.

The Commission now renders this final written Opinion stating its formal findings of fact and conclusions of law.²

After the hearing in this matter, Zingre waived confidentiality with respect to the Commission's proceedings. Therefore, the Commission publishes this Opinion.

¹ The following Commissioners participated in this hearing, Chairman Lamboley, Vice-Chairman Gale, Commissioners Carpenter, Cory, Groover, Lau, Shaw and Weaver.

² Any individual comments made by commissioners during the hearing or deliberations are not binding on or part of the Commission's final decision.

The facts in this matter were obtained from documentary and testimonial evidence provided by Zingre. For the purposes of the conclusions offered in this Opinion, the Commission's findings of fact set forth below accept as true those facts Zingre presented. Facts and circumstances that differ from those presented to and relied upon by the Commission may result in different findings and conclusions than those expressed in this Opinion.

II. QUESTION PRESENTED

Zingre questions whether the "cooling-off" provisions of the Ethics Law set forth in NRS 281A.550 and 281A.410 apply to his former position as an Emissions Control Technician II ("Technician") with the Nevada Department of Motor Vehicles to prohibit him, for one year after his separation from service as a Technician, from engaging in employment in the automotive repair industry, and specifically, employment utilizing his emission inspection license. If so, Zingre seeks relief from the strict application of the provisions.

III. FINDINGS OF FACT

- 1. Zingre was employed as an Emissions Control Technician II with the Nevada Department of Motor Vehicles ("DMV") from August 2003 through September 2014, when he resigned from State service.
- 2. The DMV "shall control the manner and type of use of the state highways by the public" (NRS 481.027) and consists of multiple divisions headed by the Director, who is responsible for appointing technical, clerical and operational staff for the divisions, including the Division of Compliance Enforcement ("Division"). The Division oversees the Section for the Control of Emissions from Vehicles ("Section") and the Motor Vehicle Inspection and Maintenance Program ("Program").
- 3. The primary mission of the Program is to identify and reduce the amount of vehicle emissions produced by gasoline and light duty diesel-powered motor vehicles. The Program is registration enforced. Vehicle emission inspections are required on an annual basis in two Nevada counties, Clark and Washoe. Nevada's Motor Vehicle Emission Control regulations require emission inspections for all 1968 and newer gasoline and diesel powered vehicles up to and including 14,000 pounds manufacturer gross vehicle weight as part of the vehicle registration process in Clark and Washoe Counties, with some exceptions such as new motor vehicles up until the third registration cycle. (Division's 2013 Activity Report)
- 4. Nevada's Department of Conservation and Natural Resources houses the State Environmental Commission ("SEC"), which regulates Air Pollution in the State under NRS 455B and vehicle emissions control specifically under NRS 445B.700 through 445B.845, inclusive. The SEC in cooperation with the DMV enforces and administers the Program, ensuring that vehicle inspectors, inspection and maintenance stations, and Nevada drivers are in compliance with emissions control rules and regulations.

- 5. As a DMV Emissions Technician II, Zingre was required to maintain a Class 1 Nevada State Emission Inspector's license ("1G License") and he was responsible for a variety of inspection, investigation and technical assistance activities to ensure compliance of state-licensed emission control stations ("stations") and emission control inspectors ("inspectors") with state and federal laws and regulations regarding vehicle emissions, and to assist and inform the public regarding the Program. (State of Nevada Class Specification Series Concept) These activities were carried out either in the field or at the Emissions Lab located at the Las Vegas offices of the DMV.
- 6. Emission control stations include authorized inspection stations, authorized maintenance stations, authorized stations (performing both inspection and maintenance), and fleet stations (a facility which is licensed by the DMV to conduct inspections of motor vehicles of qualified owners or lessees).
- 7. Specifically, Zingre's areas of responsibility included, but were not limited to:
 - a) Conducting on-site inspections of licensed emission stations for the purpose of auditing the equipment, premises and inspectors for compliance with the Program.
 - b) Performing remedial training at emission stations for inspectors.
 - c) Reviewing the results of audits with the owners/managers of the station.
 - d) Placing the station out of service if violations were found during the audit.
 - e) Clearing lock-out tamper codes when out-of-service status was lifted.
 - f) Conducting covert audits and surveillance of inspection stations suspected of violations with a vehicle prepared by the Technician to either pass or fail an emissions test and preparing a report of the results for the Investigator's report.
 - g) Conducting training for new inspectors and recertifying inspectors, including reviewing and maintaining training materials.
 - h) Providing testimony at administrative and court proceedings.
 - i) Inspecting alternate or "special-fueled" vehicles to verify that appropriate modifications were performed and completing exemption forms to allow exemption from the Program.
 - j) Evaluating motorist complaints against licensed emission stations, inspectors, dealerships or private individuals related to emission control, inspecting and documenting vehicles involved in disputes and writing memorandum of findings to Supervising Emission Control Officer.
- 8. While Zingre was responsible for monitoring compliance with the Emission Program through inspections, he reported his findings to a Supervising Emission Control Officer. However, he was responsible for performing an out-of-service lock-out for stations that he found in violation and he also removed the key code lock when the station came back into compliance. Audits resulting in out-of-service lock-outs were conducted according to procedure in the same manner for every emission inspection station.

- 9. Pursuant to NRS 445B.835, the DMV has the authority to impose administrative fines for a violation of any provision of NRS Chapter 445B.700 to 445B.845, inclusive. The DMV also affords any person who is fined with an opportunity for a hearing. Violations also incur misdemeanor criminal penalties under NRS 445B.845, which are initiated via citations from law enforcement officers. Other than locking out a station from providing services until they met compliance standards, submitting his reports on violations of the Program, and testifying as a witness regarding his reports, Zingre did not participate in any other way in revoking the license of an approved station or inspector, or in issuing fines. Only Zingre's supervisor could issue fines for non-compliance.
- 10. Zingre monitored compliance for public use emission stations only.
- 11. Zingre's future employment endeavors focus on serving as a mechanic for taxicab companies and/or similar employment in the automotive repair and maintenance field.
- 12. Zingre believes that only two taxicab companies have their own emission stations for their fleets. However, other companies such as Las Vegas Paving, UNLV, larger school districts, Clark County, water districts and other fleet/government entities also perform their own emissions checks, which are then verified for compliance by DMV, and are not public use emission stations.
- 13. Zingre has maintained a Class 2 Emission Inspector's license, or a 2G license, with a diesel vehicle endorsement, throughout his automotive industry career, including his employment in State service. A 2G license allows the licensee to test and gasoline and diesel vehicles, as well as to perform vehicle repairs for failed emission tests at a licensed 2G automotive repair business.
- 14. Zingre's 2G license must be renewed on April 30, 2015, and within one year be associated with a licensed entity. He may hold his 2G license for a period without using or "hanging-up" the license at a particular place of business.
- 15. Zingre is willing to stipulate that he will not work as a mechanic in the emission's field, however some potential employers may inquire of his emissions expertise.

IV. STATEMENT AND DISCUSSION OF ISSUES AND RELEVANT STATUTES

A. ISSUES

In this Opinion, the Commission determines the applicability of the "cooling-off" provisions of the Ethics Law by examining whether Zingre's former service as an Emission Control Technician for the DMV in performing audits on emission stations and inspectors had a significant effect on the business or industry from which he seeks future private employment as an auto mechanic. If yes, Zingre questions whether he would be exempt from the cooling-off requirements if he agreed to make it a condition of employment not to use his Emission Inspector's license and not to engage in any work related to emission stations. Instead, Zingre would limit his employment to the duties of

an auto mechanic, or retail or other clerk in the automotive industry. Additionally, Zingre questions whether he is able to advise his future employer regarding emissions issues.

B. RELEVANT STATUTES/COMMISSION PRECEDENT

1. Public Trust/Avoiding Conflicts

NRS 281A.020(1) provides:

1. It is hereby declared to be the public policy of this State that:

(a) A public office is a public trust and shall be held for the sole benefit of the people.

(b) A public officer or employee must commit himself or herself to avoid conflicts between the private interests of the public officer or employee and those of the general public whom the public officer or employee serves.

2. "Cooling-Off" Requirements for Employment

NRS 281A.550(3) provides:

3. In addition to the prohibitions set forth in subsections 1 and 2, and except as otherwise provided in subsections 4 and 6, a former public officer or employee of a board, commission, department, division or other agency of the Executive Department of State Government, except a clerical employee, shall not solicit or accept employment from a business or industry whose activities are governed by regulations adopted by the board, commission, department, division or other agency for 1 year after the termination of the former public officer's or employee's service or period of employment if:

(a) The former public officer's or employee's principal duties included the formulation of policy contained in the regulations governing the business or industry;

(b) During the immediately preceding year, the former public officer or employee directly performed activities, or controlled or influenced an audit, decision, investigation or other action, which significantly affected the business or industry which might, but for this section, employ the former public officer or employee; or

(c) As a result of the former public officer's or employee's governmental service or employment, the former public officer or employee possesses knowledge of the trade secrets of a direct business competitor.

3. Relief from Strict Application of "Cooling-Off" Requirements

NRS 281A.550(6) provides:

6. A current or former public officer or employee may request that the Commission apply the relevant facts in that person's case to the provisions of subsection 3 or 5, as applicable, and determine whether relief from the strict application of those provisions is proper. If the Commission determines that relief

Opinion Request for Opinion No. 14-66A Page 5 of 11
Page 5 of 11

from the strict application of the provisions of subsection 3 or 5, as applicable, is not contrary to:

(a) The best interests of the public;

(b) The continued ethical integrity of the State Government or political subdivision, as applicable; and

(c) The provisions of this chapter,

- it may issue an opinion to that effect and grant such relief. The opinion of the Commission in such a case is final and subject to judicial review pursuant to NRS 233B.130, except that a proceeding regarding this review must be held in closed court without admittance of persons other than those necessary to the proceeding, unless this right to confidential proceedings is waived by the current or former public officer or employee.

4. Cooling Off – Representing or Counseling

NRS 281A.410(1)(b) provides:

In addition to the requirements of the code of ethical standards:

1. If a public officer or employee serves in a state agency of the Executive Department or an agency of any county, city or other political subdivision, the public officer or employee:

* * *

(b) If the public officer or employee leaves the service of the agency, shall not, for 1 year after leaving the service of the agency, represent or counsel for compensation a private person upon any issue which was under consideration by the agency during the public officer's or employee's service. As used in this paragraph, "issue" includes a case, proceeding, application, contract or determination, but does not include the proposal or consideration of legislative measures or administrative regulations.

V. COMMISSION DECISION

A. Overview

The Commission has many times expressed its interpretation of the "cooling-off" requirements of the Ethics Law as prohibiting any actual or perceived "quid pro quo or 'revolving door' scenario, wherein a public officer secures favors in the public sector with the intention that the favor be returned privately." See In re Public Officer, Comm'n. Opinion No. 12-53A (2013). Moreover, the Commission has been concerned that potential employers may "entice Nevada public officers or employees by prospects or offers of employment that more serve the employers' interests than the employee's interest in seeking to gain present or future favor for the State, or that otherwise may cause a prospective employee to overlook applicable ethics provisions while employed or in accepting employment." Id. The "cooling-off" provisions of the Ethics Law are intended to prohibit and discourage such circumstances and appearances of impropriety, and otherwise protect the public from the improper use of public resources. Id.

Zingre has left the DMV and is considering returning to his prior private sector employment as a mechanic for taxicab companies and/or similar employment in the automotive repair and maintenance field. Zingre asks the Commission to determine whether the "cooling-off" provisions of NRS Chapter 281A prohibit him from seeking or accepting such a position before one year expires after he left employment with the DMV.

As a former public employee, the "cooling off" provisions of the Ethics Law are applicable to Zingre. Specifically, the Ethics Law prohibits, for a period of one year, certain employment, contracts and representations by certain former public employees or officers in their private capacity as it relates to their former public service. NRS 281A.550(3) and NRS 281A.410(1)(b).

By virtue of the expertise or experience public employees obtain from public service in a particular (sometimes regulated) industry, many former public employees seek to pursue employment opportunities in the private sector. The "cooling-off" provisions are intended to discourage former public employees from using, for one year, opportunities, information, relationships, or experience gathered from their former public service to benefit them in their private capacity. Under limited circumstances where there is no opportunity for abuse, the Ethics Law does not prohibit such private endeavors.

In prior opinions, the Commission has recognized that "[o]ne goal of the Nevada Legislature in enacting subsection 3 of NRS [281A.550] was to significantly reduce the temptation for a public officer or employee to compromise public duties in favor of possible employment opportunities within the business or industry which the public officer or employee regulated. Public suspicions arise about the integrity of government and the ethical standards of public officers and employees, if a regulator is permitted to accept such employment immediately after concluding one's public service." *In Re Sheldrew*, RFO No. 00-44 (2000). *See also In re Roggensack*, RFO 06-60 (2006).

B. Cooling Off - Accepting Employment

NRS 281A.550(3) prohibits Zingre from soliciting or accepting employment from an entity or industry whose activities are regulated by DMV for one year after the termination of his public service if one of three criteria are met:

(a) The former public officer's or employee's principal duties included the formulation of policy contained in the regulations governing the business or industry;

(b) During the immediately preceding year, the former public officer or employee directly performed activities, or controlled or influenced an audit, decision, investigation or other action, which significantly affected the business or industry which might, but for this section, employ the former public officer or employee; or

(c) As a result of the former public officer's or employee's governmental service or employment, the former public officer or employee possesses knowledge of the trade secrets of a direct business competitor.

Zingre's job duties did not include formulating policy governing emissions. Decisions regarding policy are made by higher level administrative personnel. As a technician, his duties were limited to the factual issues, not policy formulation regarding regulations. Zingre's duties likewise did not reveal any trade or propriety secrets or information regarding emission stations. While the facts support the conclusion that Zingre's duties included neither the formulation of policy in the regulations of the DMV (NRS 281A.550(3)(a)) nor revealed trade secrets of any emission station (NRS 281A.550(3)(c)), the Commission concludes that Zingre's duties governing investigations and inspections of emission stations/personnel, constitute "directly perform[ing] activities, or control[ing] or influenc[ing] an audit, decision, investigation or other action, which significantly affect the business or industry" which might otherwise employ him (NRS 281A.550(3)(b)).

As an Emission Control Technician, Zingre conducted on-site investigations of emission stations, and placed the stations "out of service" if violations were found during the audit. Additionally, he participated in covert audits of emission stations, evaluated complaints against emission stations/personnel and conducted training for inspectors. Zingre reported his inspection findings to a Supervising Emission Control Officer. Zingre's primary duties pertained to investigating emission stations/personnel for compliance with DMV regulations.

Compliance investigations are conducted pursuant to a standard investigative formula. After an investigation, an Emission Technician may place a station "out of service" for violations, however an Emission Technician cannot revoke an emission license. The fact that Zingre could, through his own investigation, affect an emission business which might employ him implicates NRS 281A.550(3)(b). The distinguishing aspect of Zingre's former compliance position was his authority to close down a business, at least temporarily, as the sole inspector on a matter. Prior Commission opinions have dealt with investigators who were part of a team investigation.

In *In re Public Employee*, Comm'n Opinion No. 11-50A (2011) and *In re Horky*, Comm'n Opinion 05-23 (2005), both cases noted that the investigators did not perform activities or control or influence an investigation which significantly affected their future employers, as each investigator had only a limited role in the process, subject entirely to oversight by a supervisor. However, in this instance Zingre is the sole case inspector, and based upon his findings he can place an emission station "out of service". Therefore, based upon these facts, Zingre held a position that significantly affected businesses from which he is seeking private employment. (*See In re Public Employee*, Comm'n Opinion No. 11-96A (2011)(holding that a compliance officer has a substantial influence over a facility's operations, even though he lacked the authority to issue a violation or shut down a facility, because he had the authority to recommend both the finding of a violation and a penalty.))

Zingre held a position of significant responsibility as an Emission Technician, and his inspections significantly affected the business or industry in which he seeks employment. Therefore, under these circumstances, NRS 281A.550(3)(b) applies to Zingre, and prohibits him from seeking or accepting employment from an entity regulated

by the DMV Emissions Program for a period of one year from the termination of his public employment.

C. Relief from Strict Application of Employment Prohibitions

The Ethics Law provides for an exception from the one-year cooling-off provisions of NRS 281A.550(3) and (5) under certain circumstances. Pursuant to NRS 281A.550(6), the Commission may grant relief from the strict application of NRS 281A.550(3) and (5) if it determines that such relief is not contrary to the best interests of the public, the ethical integrity of the State government, or the Ethics Law.

Having established that NRS 281A.550(3) applies to Zingre's circumstances, the Commission considers whether to grant Zingre relief from the strict application of the oneyear cooling-off period. Zingre has characterized his future employment as a mechanic for a taxicab company and/or similar employment in the automotive repair and maintenance field. Zingre testified that potential larger employers have their own emission analyzers that are regulated by the DMV.

On the record presented, the Commission does not find cause for broad exception and does not grant Zingre such an exception under NRS 281A.550(6). "The Commission does not issue blanket or generalized waivers based on speculative circumstances. Rather, for a waiver to be meaningful and operate as the exception rather than the rule, the Commission must be able to evaluate the nature and circumstances of a specific employment opportunity, including the specific duties and nature of the [DMV's] regulation to determine whether his private-sector service would be in the best interests of the State. (See In re Public Employee, Comm'n Opinion No. 14-46A (2014)).

Because Zingre's proposed possible employment opportunities do not provide the Commission with any specific facts or circumstances for a blanket exemption, and the Commission is unable to provide any specific guidance regarding a possible exemption. (*See id.*) The scenarios provided are too broad to reach any conclusions pertaining to a waiver. Without a specific position with a specific company a waiver cannot be granted for Zingre. (*See id.*)

The Commission can only give guidance and recommendations on specific employment engagements the public officer seeks to perform or specific organizations that the public officer desires to work for after leaving State service. With specific details, the Commission can ask questions regarding whether or not there is a conflict by working for a specific company or industry and assess and determine the interests of the public to be served.

"The intent of the exemption statute is to facilitate beneficial moves from the public to private sectors so long as the moves do not endanger either the public or private sectors and so long as there is nothing otherwise unethical in the way that the employment relationship occurred." *In re Public Officer*, Comm'n Opinion No. 11-96A (2012). The only way to determine if Zingre meets the exception is to have a factual basis to review.

Based upon the information provided, Zingre cannot be broadly relieved from the strict application of the "cooling-off" requirements of NRS 281A.550(3) and the one-year "cooling-off" requirement applies to Zingre for purposes of soliciting or accepting employment from an entity or industry regulated by the DMV Compliance Division pertaining to emissions.

However, Zingre is not prohibited from seeking and accepting employment as a mechanic in the automotive industry as a whole, provided the employment refrains from any emissions facets. This narrows the prohibited employment area. While the DMV regulates all aspects within the vehicular sphere, including mechanics, the Commission recognizes that Zingre's job duties were limited to emissions and, therefore, this decision only applies to that employment aspect. (*See In re Public Officer,* Comm'n Opinion No. 11-79A (2011)(granting public officer an exception to the strict application of NRS 281A.550(3) when public officer's anticipated new employment duties would be unrelated to matters regulated by his prior government agency.) Zingre is permitted to seek employment and obtain employment with entities that have emission departments, if he does not perform or supervise emission inspection, repair or maintenance, and does not permit the employer to use his emission's license.

While an exception is not granted in this matter, the principal aspect of permitting future employment in the non-emissions mechanics arena is supported by underlying reasoning behind the Ethics Law. The Ethics Law prohibits any actual or perceived "quid pro quo or 'revolving door' scenario, wherein a public officer secures favors in the public sector with the intention that the favor be returned privately." See In re Public Officer, Comm'n. Opinion No. 12-53A (2013). This reasoning, but not the exception, would apply in Zingre's situation. Zingre's anticipated employment involves mechanical repairs unrelated to vehicular emissions that are regulated by DMV's Compliance Division, Emission Program, therefore there is no "quid pro quo." Thus, the ethical integrity of State Government and the provisions of Chapter 281A of NRS are not implicated by employment in the non-emissions automotive industry.

Therefore, pursuant to the limited circumstances presented in the request for opinion and as described herein, the Commission determines that Zingre is <u>not</u> subject to the one-year cooling-off requirement on the condition that he solicits or accepts employment from a business entity to work as a mechanic only with the caveat that he may not perform any work that utilizes his emission's experience and/or 2G inspector's license pertaining to emissions of motor vehicles.

D. Counseling a Private Person on Issues Which Were Before the DMV

NRS 281A.410(1)(b) prohibits a public employee from representing or counseling a private person on any issue which was under consideration of the agency during the public employee's service for one year after leaving service with the agency. Zingre provided services for the DMV as a compliance inspector and auditor and, as such, was very familiar with and carried out DMV policy and procedures. Based upon Zingre's intimate knowledge of DMV's emission's policies and procedures, Zingre must also refrain from counseling (advising) a future employer on emission issues, such as compliance, that were under consideration by the DMV during his tenure, and which relate to DMV regulation of emissions, for a period of one year.

VI. CONCLUSIONS OF LAW

- 1. At all times relevant to the hearing of this matter, Zingre was a public employee as defined by NRS 281A.150 and 281A.180.
- 2. Pursuant to NRS 281A.440(1) and NRS 281A.460, the Commission has jurisdiction to render an advisory opinion in this matter.
- 3. The "cooling-off" requirements set forth in NRS 281A.550(3)(b) apply to Zingre's circumstances as a former Emission Control Technician II of the Compliance Division of the DMV, and the Commission does not grant relief from the strict application of those provisions for any employment that requires an emission inspection license and is related to vehicle emissions, repairs or failed test repairs. Accordingly, Zingre may not seek employment with entities regulated by the DMV regarding emission control program compliance. However, the provisions of NRS 281A.550(3) do not prohibit Zingre from seeking or accepting private employment as an automobile mechanic outside of the emission's field.
- 4. Pursuant to NRS 281A.410(1)(b), Zingre may not represent or counsel any private persons or entities, including regulated entities, for at least one year after the termination of Zingre's public service, on any emissions issues that were under consideration by the DMV during Zingre's tenure.

Any Finding of Fact hereafter construed to constitute a Conclusion of Law, or any Conclusion of Law hereafter construed to constitute a Finding of Fact, is hereby adopted and incorporated as such to the same extent as if originally so designated.

The Following Commissioners Participated in this Opinion:

Dated this 18th day of November, 2014.

- By: <u>/s/ Paul H. Lamboley</u> Paul H. Lamboley Chairman
- By: <u>/s/ John C. Carpenter</u> John C. Carpenter Commissioner
- By: <u>/s/ Timothy Cory</u> Timothy Cory Commissioner
- By: <u>/s/ James M. Shaw</u> James M. Shaw Commissioner

- By: <u>/s/ Gregory J. Gale</u> Gregory J. Gale Vice-Chairman
- By: <u>/s/ Magdalena Groover</u> Magdalena Groover Commissioner
- By: <u>/s/ Cheryl A. Lau</u> Cheryl A. Lau Commissioner
- By: <u>/s/ Keith A. Weaver</u> Keith A. Weaver Commissioner