

Lyon County Sheriff's Office

Internal Audit Report

On

Brothel Compliance Requirements



1. Executive Summary

The Lyon County's Sheriff's Office must evaluate its internal support services, functions, and processes to identify weaknesses and gaps in connection to Brothel code compliance requirements mandated by law to develop opportunities to streamline, share services, reorganize, consolidate, and/or improve collaboration to ensure consistency and efficiency to detect and deter human trafficking and sexual exploitation into Lyon County.

My vision for the Lyon County Sheriff's Office as it relates to Lyon County Code, Title 5 Chapter 3 Prostitution, is implementing the findings of this report into our operations within fiscal constraints.

Strategies:

- We will *establish* clearly defined roles, functions, and missions for subordinate elements to improve efficiency and effectiveness of delivery of services.
- We will *enhance* informational technologies, training, and available equipment resources to improve efficiencies in order to readily detect indicators of human trafficking.
- We will strive to *improve* Lyon County Code, working with our District Attorney's Office and brothel industry leaders.
- We will *implement* Best Practices strategies to provide supportive services to human trafficked survivors identified in Lyon County.
- We will *visually promote* a comprehensive program message to foreign and domestic criminal enterprises that human trafficking has zero tolerance in Lyon County and into its legal brothel system.

2. History and Present Status

Lyon County Code (LCC) was adopted in the 1970s to regulate the operation of a "house of prostitution." Since its initial adoption, there have been revisions. In 1990, the code was amended mandating the Sheriff to issue work cards to working prostitutes.

In addition to work card requirements, the Sheriff's Office has implied responsibilities to conduct regular and periodic compliance checks of all licensed brothels. Due to agency staffing levels, this function has not been accomplished in decades.

LCC 5.03.14 (A.2.b) mandates medical advisors be appointed to the Sheriff by a committee comprised of the Sheriff, District Attorney, and the Chair of the County Commissioners. Subparagraph (e.3.d) mandates a Designated Medical Facility to report to the sheriff the results of all medical tests of prostitutes on a quarterly basis. Again, neither of these requirements pursuant to LCC has been fulfilled.

On December 06, 2017, the first of eight public requests for information came into the Sheriff's Office, asking for prostitute work card applicants for the past ten years and other public records requests associated with the brothels and licensee records. This began a preliminary analysis of LCSO operations and procedures related to compliance with the LCC.

The in-depth internal audit began approximately four months ago with a review of all applications received during calendar year 2017 with the intent to identify what is wrong with our processes, find the root cause, and gather recommendations and suggestions to correct gaps and weaknesses. This audit generated in excess of 75 labor hours with the involvement of command staff and detectives. This report and its findings are intended to improve our processes.

3. 2017 Employee Work Card Audit

In 2017, the LCSO issued a total of 79 employee work cards. These work cards are for support workers in the brothels (i.e., bartenders, cashiers, housekeeping, etc.). LCC 5.03.14 (B.1) requires that "each employee present at or employed by a licensed operation shall register with and be issued an employment card by the sheriff."

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| 35 | of these cards were issued to individuals that live in Lyon County. |
| 42 | of these cards were issued to individuals that live in Northern Nevada (i.e., Carson City, Reno, Sparks). |
| 2 | of these cards were issued to individuals who provided an out-of-state-address on the application document. |

Demographic Analysis

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| 2.51 years | is the average length of employment. |
| 19 years | was the longest length of employment. |
| 29 | workers had less than one year of employment. |
| 14 | workers had more than three years of employment and are Lyon County residents. |

Crime Issues

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| 2 | employees have active criminal cases:
-Warrant |
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-Possession of a controlled substance

Findings

1. A recent brothel statement claims it employs “134 non-sex worker support staff.” The LCSO can only document 79; however, at least two individuals are known to be brothel employees that have never applied for a work card pursuant to LCC.
2. The majority of these employees who are Lyon County residents reside in Silver Springs or Stagecoach.
3. There are no significant public safety concerns with these employees as it relates to criminal cases.

4. 2017 Prostitute Work Card Audit

In 2017, the LCSO issued a total of 342 prostitute work cards to 241 specific individuals. Of these individuals, 101 had multiple cards issued for a prostitute changing brothel location, leaving the business and returning the same year, or other various reasons.

13	of these cards were issued to individuals that live in Lyon County.
42	of these cards were issued to individuals that live in Northern Nevada (i.e., Carson City, Reno, Sparks etc.).
168	of these cards were issued to individuals that reside in another state.
18	of these cards were issued to individuals that provided a southern Nevada address.

Demographic Analysis

1.88 years	is the average length of employment.
7 years	was the longest length of employment.
147	workers had less than one year of employment.
72 years	was the oldest applicant.
18 y/15 days	was the youngest applicant.
30.78 years	was the average prostitute age.
9	workers have more than three years of employment and are Lyon County residents.
22	self-disclosed being foreign born and/or non-us citizens. A quick search of 2018 records identified an additional 17 approved prostitutes. 39 total names were cross check through federal data bases with the assistance of federal law enforcement agencies.

Crime Issues

13	prostitutes made self-disclosure of active criminal cases: -Warrants of arrest for traffic offenses.
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- Possession of controlled substances (Lyon County & Las Vegas).
 - Obstructing a Peace Officer (Reno).
 - Battery on a Peace Officer (Carson City).
 - Fraud (CA).
 - Theft (CA).
- 1 Currently serving a 14-week sentence in the Lyon County jail.

Human Trafficking Indicators

- 19 self-disclosed prior prostitution convictions. Indicator is that they could still be controlled by a pimp. Convictions from CA, FL, NY, WA, CT, MO, Las Vegas, Reno.
- 4 self-disclosed active prostitution arrest without case closure from Las Vegas, Reno, CA, and WI. Indicator is that they are highly likely being controlled by an out-of-region/state pimp.
- 25 had dual prostitute licenses with other counties (Nye & Elko). Indicator is movement from one brothel to the next.¹
- 2 provided documents during application process that showed almost immediate entry into the US and prostitute application.
- 1 provided documents during application process showing an out-of-state marriage upon entry into the US. A law enforcement systems check showed possible identity theft.
- 1 self-disclosed an out-of-state human trafficking arrest.

Federal Law Violations

- 1 Is subject to arrest/deportation when located.
- 1 Self-disclosed immigration deportation proceedings.
- 14 Currently under federal review for immigration violations, including unlawful entry, fraud and identity theft. They will continue to be allowed working privileges until/when any federal notification comes into this Office denying work authorization.
- 1 Department of Defense military member moonlighting as a prostitute.

Findings

1. Current part-time administrative clerk in Dayton does not have required knowledge and skills to scrutinize applications in order to detect possible indicators of human trafficking.
2. Staff was issuing temporary work cards prior to completing background check, which requires review of criminal history that is delayed between 1-3 weeks. LCC does not allow for such practice.
3. No substation is equipped with out-of-state and passport verification equipment for validation of documents to establish identity.

¹ https://www.unodc.org/pdf/HT_indicators_E_LOWRES.pdf

4. Large majority of prostitutes report instability of residences and extensive criminal records that include property and other quality of life type crimes. Again, these are indicators for human trafficking and sexual exploitation.
5. During this period, the LCSO received information related to labor and civil disputes between prostitutes and brothels.
6. LCSO's records management system (RMS) allows for viewing Nye and Elko County Sheriff Offices prostitute records because we share the same RMS. However, we cannot view prostitute applications from the Storey County Sheriff's Office and the Elko Police Department who also issue prostitute cards.
7. At a minimum, 83 prostitutes generated positive indicators of human trafficking that should have required additional investigation.

5. Human Trafficking Indicators

The United Nations Office on Drugs and Crime has released its document on Human Trafficking Indicators² that lists thirty-six general indicators and twelve sexual exploitation indicators. Many of these indicators were observed during this audit. And although the presence or absence of any indicators neither proves nor disproves that human trafficking is taking place, their presence during the application process must lead to an investigation.

The Nevada Attorney General's Office recently released its human trafficking screening list³ that must be used as a basis for all detective-directed background investigations to detect human trafficking into legal brothels.

While not clearly defined by LCC, prostitute registration should serve two (2) legitimate law enforcement functions:

- Record and document individual identifiers such as tattoos, facial and body features, and fingerprints to be used if a missing person's report has been generated.
- Serve as an ability to conduct comprehensive background investigations to deter and detect victims of human trafficking, and to connect them with supportive services when required.

6. Lyon County Code Concerns

- A. Change code to allow the prostitute work card to be issued to the individual, rather to a specific brothel. This will reduce LCSO staff requirements and reduce individual prostitute costs.

² https://www.unodc.org/pdf/HT_indicators_E_LOWRES.pdf

³ http://ag.nv.gov/uploadedFiles/agnv.gov/Content/Human_Trafficking/AG_HT_Screening_Tool_Final2.pdf

- B. Minimum age for prostitute and customer should be increased to 21 years of age to align with state law on licensed liquor establishments, casinos, and purchases of marijuana and alcohol products. Each brothel currently has a valid county liquor license.
- C. Review Medical Advisor to the Sheriff and designated quarterly medical facility reports. Revise and/or amend as necessary.
- D. Review code against human trafficking indicators. Revise and/or amend as necessary.
- E. Revise and/or amend LCC as necessary to:
 - i. Allow for temporary work cards.
 - ii. Mandate posting of Prostitute Rights and reporting mechanism in certain brothel work and common areas.
 - iii. Mandate brothel staff training requirements on human trafficking awareness. This would be consistent with LCC mandated alcohol server training and mandated human trafficking awareness training is currently being done in Reno areas.
 - iv. Ability to conduct periodic licensee review.
 - v. Determine if employee work cards are necessary.
 - vi. Add NRS 125B Child Support requirements.
 - vii. Mandate that prostitutes carry valid work cards in their possession at all times when in the brothel.
 - viii. Mandate that each brothel produce health certification for each prostitute in the brothel they are working.
 - ix. Clarify who is responsible for misdemeanor violations pertaining to compliance violations of the LCC.

7. Corrective Actions & Summary

Administrative Bureau

- A. Develop and implement an application process that identifies vulnerable applicants who will require a thorough Investigation Bureau background investigation.
- B. Develop and implement a human trafficking simple self-disclosure screen to be included in the application process. All positive screens will be forwarded to the Investigation Bureau for a thorough background investigation.
- C. Develop a Sex Worker (Prostitute) Rights form as part of the application process; to include types of criminal and prohibited acts and methods to report.
- D. Obtain equipment and establish procedures necessary to validate documents to establish identity and ensure federal law compliance.
- E. Submit a budget request for the Dayton administrative clerk position to meet the requirements of this audit.

Investigation Bureau

- A. All positive questionnaire screens for possible human trafficking will be interviewed by a qualified detective, using the Attorney General's Law Enforcement Screening Tool for Victims of Human Trafficking.⁴ Completed questionnaires will be attached to the applicants file.
- B. Submit a budget request to increase detective staffing to meet the requirements of this audit.
- C. Develop inter-local agreements with regional law enforcement agencies to collectively combat human trafficking.

⁴ http://ag.nv.gov/uploadedFiles/agnv.gov/Content/Human_Trafficking/AG_HT_Screening_Tool_Final2.pdf