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**Before The
State Of Wisconsin
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES**

In the Matter of a Petition for an Administrative
Injunction Involving DeRoyce Monte Carter and
Compliance Enforcement Agency, Respondents.

FINAL DECISION AND ORDER

Order No. **ORDER 0008783**

Division of Legal Services and Compliance Case No. 21 UNL 062

The State of Wisconsin, Department of Safety and Professional Services, having considered the above-captioned matter and having reviewed the record and the Proposed Decision of the Administrative Law Judge, make the following:

ORDER

NOW, THEREFORE, it is hereby ordered that the Proposed Decision annexed hereto, filed by the Administrative Law Judge, shall be and hereby is made and ordered the Final Decision of the State of Wisconsin, Department of Safety and Professional Services.

The rights of a party aggrieved by this Decision to petition the department for rehearing and the petition for judicial review are set forth on the attached "Notice of Appeal Information."

Dated at Madison, Wisconsin on the 19th day of September, 2023.

Aloysius Rohmeyer

Aloysius Rohmeyer
Chief Legal Counsel
Department of Safety and Professional Services



**Before The
State Of Wisconsin
DIVISION OF HEARINGS AND APPEALS**

In the Matter of a Petition for an Administrative
Injunction Involving Deroyce Monte Carter and
Compliance Enforcement Agency,
Respondents.

DHA Case No. SPS-23-0022
DLSC Case No. 21 UNL 062

PROPOSED DECISION AND ORDER

The parties to this proceeding for purposes of Wis. Stat. §§ 227.47(1) and 227.53 are:

Deroyce Monte Carter
7921 W. Congress Ave., Apt. 1
Milwaukee, WI 53218

Compliance Enforcement Agency
5779 S. Pakard Ave. #29
Cudahy, WI 53110

Wisconsin Department of Safety and Professional Services
P.O. Box 8366
Madison, WI 53708-8366

Department of Safety and Professional Services, Division of Legal Services and
Compliance, by

Attorney Jon Derenne
Department of Safety and Professional Services
Division of Legal Services and Compliance
P.O. Box 7190
Madison, WI 53707-7190

PROCEDURAL HISTORY

These proceedings were initiated when the Department of Safety and Professional Services (Department), Division of Legal Services and Compliance (Division), filed and served a formal Notice of Hearing and Petition for an Administrative Injunction against Respondents Deroyce Monte Carter and Compliance Enforcement Agency. The Petition for an Administrative Injunction alleged Respondents provided private detective and private security person services and operated a private detective agency without the required licensure under Wis. Stat. § 440.26.

The Division served Respondents on April 27, 2023, by sending a copy of the Notice of Hearing and Petition for an Administrative Injunction to Respondents' last known addresses via regular and certified mail, consistent with Wis. Admin. Code § SPS 3.07(1). Respondents failed to file an Answer to the Petition for an Administrative Injunction within 20 days from the date of service, as required by Wis. Admin. Code § SPS 3.08(4), and failed to appear at the telephone prehearing conference held before the Division of Hearings and Appeals on June 15, 2023.

At the June 15, 2023 telephone prehearing conference, the Division moved for default pursuant to Wis. Admin. Code § SPS 3.13 and Wis. Admin. Code § HA 1.07(3)(c). In light of Respondents' failure to file an Answer to the Petition for an Administrative Injunction and failure to appear for the prehearing conference, the undersigned Administrative Law Judge (ALJ), Andrea Brauer, found Respondents to be in default and issued a Notice of Default and Order on June 19, 2023. Consistent with this notice, the Division timely filed a recommended proposed decision and order.

FINDINGS OF FACT

Facts Related to the Alleged Violations

Findings of Facts 1-13 are set forth in the Division's Petition for an Administrative Injunction against Respondents filed in this matter.

1. Respondent Deroyce Monte Carter is not currently licensed as a private security person or private detective in Wisconsin. He was licensed previously as a private security person (no. 49128-108), however his credential expired on September 1, 2016 and is no longer eligible for renewal.
2. Respondent Compliance Enforcement Agency (CEA) is not and has never been licensed in Wisconsin as a private detective agency.
3. Respondent Carter's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is in Milwaukee, Wisconsin 53218.
4. On March 25, 2021, the Department received a complaint alleging that Respondent Carter and his company, Compliance Enforcement Agency (CEA), were providing private security services without a license at a Milwaukee grocery store. As a result of this complaint, the Division opened case number 21 UNL 062 against Respondents.
5. On July 26, 2021, after multiple unsuccessful attempts to obtain a response, including emails to his address of record on March 26, 2021 and April 9, 2021, and a regular U.S. mail letter on April 30, 2021 to his address of record, Respondent Carter replied to the complaint. He denied practicing as a private security person since his credential expired in 2016.
6. On August 9, 2022, a DLSC investigator located a social media post made by Respondent Carter on April 1, 2021 soliciting individuals with armed security experience to contact CEA and "become an integral part of our team."

7. On the same day, the investigator also noticed a reference on Respondent Carter's social media to a business located in the Milwaukee area, hereinafter referred to as ATR. The Division contacted the president of ATR, who stated that Respondents had a contract to provide security services to ATR. ATR hired Respondents after Carter answered a Facebook advertisement soliciting services. ATR stated that most times Carter provided security services himself, but occasionally had supplied other individuals who provided services. ATR did not have knowledge of the names of these individuals.
8. On August 10, 2022, the Division contacted Carter via telephone for an explanation. He again insisted that he does not provide private security services. He admitted that he "referred people" to ATR to provide security services, but did not provide services himself. He also claimed that CEA does not have any employees and is not operational.
9. On the same day, the Division warned Carter on the call that he and CEA must cease and desist from providing security services until all necessary credentials were obtained.
10. On August 24, 2022, ATR provided the Division with a copy of the security services contract they had entered into with Respondents. The contract was effective between April 24, 2021 and April 24, 2022. The contract required CEA to provide armed security services to ATR to patrol its premises. CEA is identified as the contractor obligated to provide the services. The contract was signed by Respondent Carter on behalf of CEA.
11. Although the contract expired on April 24, 2022, ATR stated that CEA continued to provide security services until August 24, 2022, but had paused the arrangement until Carter and CEA straightened out their licensing issues with the Department.
12. A December 14, 2022 review of Respondent Carter's LinkedIn page indicates that he identifies himself as the President and CEO of CEA since 2013.
13. A December 14, 2022 review of CEA's business Facebook page revealed that the profile picture for CEA was updated on September 28, 2022, and consists of a star-shaped badge with the State of Wisconsin seal in the middle, and "Compliance Enforcement Agency" circumscribing the seal.

Facts Related to Default

14. The Petition and Notice of Hearing and in this matter were served on Respondents on April 27, 2023 to their last known addresses, by both certified and regular mail consistent with Wis. Admin. Code § SPS 3.07. The Notice of Hearing advised Respondents: "If you do not provide a proper Answer within twenty (20) days or do not appear for the hearing, you will be found to be in default and a special order may be entered against you enjoining you from working as a private security person, private detective, or private detective agency without a proper credential, or use of a related title. If a special order is issued as a result of this proceeding and thereafter you violate the special order, you may be required to forfeit not more than \$10,000 for each offense."
15. Respondents failed to file an Answer as required by Wis. Admin. Code § SPS 3.08.

16. Following the expiration of the 20-day time period to file an Answer, the ALJ scheduled a telephone prehearing conference for June 15, 2023 at 09:30 a.m. Notice of this prehearing conference was sent to both parties, with instructions that Respondents provide to the ALJ a telephone number at which they could be reached for the conference by no later than June 14, 2023.
17. Respondents failed to provide a telephone number and could not be reached for the June 15, 2023 prehearing conference. At the prehearing conference, the ALJ called Respondents at three different telephone numbers on file for them with the Division and sent an email to their email address on file with the Division. However, the Respondents could not be reached and did not respond to the ALJ's voicemail or email.
18. Based on Respondents' failure to Answer the Petition for an Administrative Injunction and failure to appear at the June 15, 2023 prehearing conference in this matter, the Division moved for default pursuant to Wis. Admin. Code § SPS 3.13 and Wis. Admin. Code § HA 1.07(3)(c).
19. On June 19, 2023, the ALJ issued a Notice of Default and Order, requiring the Division to file and serve no later than July 7, 2023, a recommended proposed decision and order.
20. The Division timely filed its recommended Proposed Decision and Order.

DISCUSSION

Jurisdiction

The Department has authority to conduct investigations, hold hearings, and make findings as to whether a person has engaged in the practice of a private security person, private detective, or private detective agency without a required credential. If the Department determines that a person has acted as a private security person, private detective, or private detective agency without a credential, the Department may issue a special order enjoining the person from continuing to practice. Wis. Stat. § 440.21(1) and (2); Wis. Stat. § 440.26(1).

Pursuant to Wis. Admin. Code § SPS 3.09, the undersigned ALJ has authority to preside over this disciplinary proceeding in accordance with Wis. Stat. § 227.43(1m). The Division has the burden to prove its allegations by a preponderance of the credible evidence. Wis. Admin. Code §§ HA 1.12(3)(b) and 1.17(2).

Default

As stated in the June 19, 2023 Notice of Default and Order, Respondents are in default for failing to file an Answer to the Petition and failing to appear for the telephone prehearing conference. As a result, an order may be entered against them on the basis of the Petition and other evidence. *See* Wis. Admin. Code § SPS 3.13; Wis. Admin. Code § HA 1.07(3)(b) and (c).

Violations of Wis. Stat. § 440.26(1)(a)

Wisconsin Statute § 440.26(1)(a) states that:

“...no person may do any of the following unless he or she has a license or permit issued under this section:

1. Advertise, solicit or engage in the business of operating a private detective agency.
2. Act as a private detective, investigator, special investigator, or private security person.
3. Act as a supplier of private security personnel.
4. Solicit business or perform any other type of service or investigation as a private detective or private security person.
11. Receive any fees or compensation for acting as any person, engaging in any business or performing any service specified in subds. 1. to 4.”

Pursuant to Wis. Stat. § 440.26(1)(a)1. and 4., a license is required to advertise, solicit, or engage in the business of operating a private detective agency, or to solicit business or provide services as a private security person or private detective. A “private detective agency” is defined as a person or entity who acts as or employs private detectives or private security persons. Wis. Admin. Code § SPS 30.02(1). “Private security person” is defined as any private police, guard, or person who stands watch for security purposes. Wis. Stat. § 440.26(1m).

Both Respondents advertised as and solicited business as a private detective agency when they made social media posts encouraging people with armed security experience to apply for a position with CEA. Respondents also engaged in the operation of a private detective agency when Respondent Carter stood watch for security purposes on ATR’s premises. Respondent Carter thereby also solicited business and performed services as a private security person.

Wisconsin Statute § 440.26(1)(a)2. states that a license or permit is required to act as a private security person. Based on the definition of “private security person” provided above, Respondent Carter violated this provision when he provided armed security services for ATR without a private security person permit.

Respondents also violated Wis. Stat. § 440.26(1)(a)3. when they acted as suppliers of private security personnel. Respondents contracted with ATR to provide private security persons to patrol their property. Respondent CEA supplied a private security person to ATR when Respondent Carter provided services as a private security person on their premises. Respondent Carter also admitted in a previous response to the Department that he had “referred people” to ATR to provide security services.

Finally, Wis. Stat. § 440.26(1)(a)11. states that a license or permit is required to receive fees or compensation for engaging in any of the activities identified in Wis. Stat. § 440.26(1)(a)1. to 4. in the paragraphs above. Respondents signed a contract with ATR and were compensated to provide the services identified above.

The undisputed facts of this case show that Respondents engaged in the practice of a private security person and operated a private detective agency without the required credentials.

Accordingly, a special order enjoining Respondents from the continued provision of services requiring a license under Wis. Stat. § 440.26(1)(a) may therefore be issued pursuant to Wis. Stat. § 440.21(2).

Administrative Injunction

The Division requests the ALJ issue a special order enjoining Respondents from acting as a private security person or private detective, or from operating a private detective agency, without the necessary credentials, as outlined in the order below. Because the Division has proven that Respondents engaged in unlicensed practice under Wis. Stat. § 440.26(1)(a), the recommended special order is warranted and is authorized pursuant to Wis. Stat. § 440.21(2).

CONCLUSIONS OF LAW

1. Respondent Deroyce Monte Carter committed the following violations:
 - a. By acting as a private security person without a license or permit, Respondent Carter violated Wis. Stat. § 440.26(1)(a)2.
 - b. By soliciting business and providing services as a private security person, Respondent Carter violated Wis. Stat. § 440.26(1)(a)4.
2. Respondents Deroyce Monte Carter and Compliance Enforcement Agency committed the following violations:
 - a. By advertising, soliciting, and engaging in the business of operating a private detective agency without a license, Respondents violated Wis. Stat. § 440.26(1)(a)1.
 - b. By acting as a supplier of private security personnel, Respondents violated Wis. Stat. § 440.26(1)(a)3.
3. Because Respondents Deroyce Monte Carter and Compliance Enforcement Agency received fees for the unlicensed private security services they provided, they violated Wis. Stat. § 440.26(1)(a)11.
4. Based on the above violations, the recommended special order is warranted and is authorized pursuant to Wis. Stat. § 440.21(2).
5. This hearing examiner has authority to issue this proposed decision and order pursuant to Wis. Admin. Code § SPS 2.10 and Wis. Stat. § 227.46.

ORDER

1. Unless and until Respondent Deroyce Monte Carter is properly licensed as a private security person or a private detective by the Wisconsin Department of Safety and Professional Services, he is enjoined and prohibited from acting as a private security person or private detective in the state of Wisconsin in a capacity in which a credential is required.
2. Unless and until Respondent Compliance Enforcement Agency is properly licensed as a private detective agency by the Wisconsin Department of Safety and Professional

Services, it is enjoined and prohibited from acting as a private detective agency in the state of Wisconsin.

3. Respondents shall provide a copy of this Administrative Injunction with any application they submit for a credential issued by the Department.
4. If the Department determines that there is probable cause to believe that Respondents have violated any terms of this Administrative Injunction, the Department may refer the violations covered by this decision and order to any appropriate prosecutorial unit for review for possible criminal charges.
5. Violation of this special order may result in a forfeiture of up to \$10,000 for each day of violation. See Wis. Stat. § 440.21(4)(a).

Dated at Madison, Wisconsin on August 16, 2023.

STATE OF WISCONSIN
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By: Andrea Brauer
Andrea Brauer
Administrative Law Judge