

RECEIVED
CITY CLERK

2010 JUL 14 A 9:19

1 **ANSW**

2 C. CONRAD CLAUS, ESQ.
3 THE LAW OFFICES OF C. CONRAD CLAUS
4 Nevada Bar No. 6601
5 816. S. Ogden
6 Las Vegas, NV 89101
7 (702)384-4927 Phone
8 (702)385-4927 Fax
9 Attorney for Defendant/Counter Plaintiff

6
7 **BEFORE THE CITY COUNCIL**
8 **OF THE CITY OF LAS VEGAS, NEVADA**

9 **IN THE MATTER OF:**

10
11 DEPARTMENT OF FINANCE AND
12 BUSINESS SERVICES on behalf of the
13 CITY OF LAS VEGAS, NEVADA,

14 Petitioners,

15 vs.

16 RAN ORIENTAL THERAPY'S LLC, a
17 Nevada limited liability company/d/b/a
18 ORIENTAL ANGELS MASSAGE and DR.
19 JINLI RAN,

20 Respondents

RESPONDENTS' ANSWER TO
CITY OF LAS VEGAS'S
COMPLAINT DISCIPLINARY
ACTION

21 **RESPONDENTS' RAN ORIENTAL THERAPY'S LLC, a Nevada limited liability**
22 **company/d/b/a ORIENTAL ANGELS MASSAGE and DR. JINLI RAN'S ANSWER TO**
23 **CITY OF LAS VEGAS'S COMPLAINT FOR DISCIPLINARY ACTION**

24 COMES NOW, Respondents, RAN ORIENTAL THERAPY'S LLC, a Nevada limited
25 liability company/d/b/a ORIENTAL ANGELS MASSAGE and DR. JINLI RAN, by and through
their attorney, C. CONRAD CLAUS, ESQ., and hereby submits their ANSWER TO CITY OF
LAS VEGAS'S COMPLAINT FOR DISCIPLINARY ACTION, and answers and alleges as
follows:

1 4 of their contract. Additionally, the offending therapist's contract is terminated. This written
2 contract provides strict rules of conduct, with accompanying stiff penalties if that behavior is
3 violated. Respondent has promptly terminated therapists' contracts of those who decide to
4 commit violations of the law, save and except for allowing one person a second chance. This is
5 really all Dr. Ran should be expected to do, in order to safeguard and maintain the well being of
6 the establishment.

7 The contract and prompt enforcement of same demonstrates that Respondent actively
8 discourages unethical or unlawful behavior. There are strict punitive sanctions. The violations
9 listed in the Complaint regarding solicitation of prostitution are conduct BY OTHERS, There is
10 no evidence that Dr. Ran ever encouraged, acquiesced, or in any manner tolerated this conduct.
11 She has never been charged as an accomplice or an aider and abettor to these acts unknowingly
12 committed by Ms. Li, Mei Zhao, Mei Wan Kong, or Xue Rong Fu, these violations being
13 articulated in the City's Complaint. Dr. Ran is compassionate, and when Xue Rong Fu begged
14 for a second chance, Dr. Ran relented, allowed her a second chance, promising that nothing like
15 this would ever happen again. Unfortunately, Ms. Fu was not true to her word, and continued to
16 violate the law. This time, the termination of the contract was permanent. The allowing of a
17 second chance for this one therapist falls far short of establishing that Dr. Ran is guilty of any of
18 the vague and generalized allegations in Count One.

19 THE CODE COMPLIANCE FAILURE ALLEGATION

20 Dr. Ran is a licensed OMD, she displays her licenses on the premises. As a part of her duties
21 as an OMD, she often utilizes acupuncture and acupressure techniques. Said techniques
22 frequently require the use of assistants. Mai Tieu and Sun Wee were such assistants on March
23 29, 2007. They were dressed like medical assistants, their apparel was clearly in contrast to the
24 way the licensed massage therapists were clad. This is because their job duties were not as
25 massage therapists, but as assistants to Dr. Ran, for whom they worked in their singular scope

1 and duty as assistants her in performing acupressure. When these two individuals assisted Dr.
2 Ran with the patients' acupressure, Dr. Ran was on premises, and present in the areas with these
3 assistants, who were merely assisting her. Additionally, on the date that the detectives saw these
4 two individuals, they were merely present on the premises, they were not performing any job
5 duties, as the only way that this could lawfully occur is by assisting Dr. Ran with acupressure.
6 These assistants are not required to be licensed, or to register, they, and Dr. Ran, were in all ways
7 compliant with **NRS 634A.200**, which reads as follows:

8 **NRS 634A.200 Applicability of chapter.**

9 1. This chapter does not apply to Oriental physicians who are called into this State for consultation.

10 2. This chapter does not prohibit:

11 (a) Gratuitous services of druggists or other persons in cases of emergency.

12 (b) The domestic administration of family remedies.

13 (c) *Any person from assisting any person in the practice of the healing arts licensed under this chapter,*
14 *except that such person may not insert needles into the skin or prescribe herbal medicine.*

15 (Added to NRS by 1973, 639; A 1975, 235)

16 In response to the allegations that Dr. Ran "admitted" to the detectives that she employed
17 these two assistants as massage therapists, this contention is respectfully and adamantly denied.
18 She explained that she was an OMD, and further explained what the duties of these two
19 assistants were. It would fly in the face of logic that she would "admit" to something that did not
20 occur. Perhaps it was a misunderstanding, however, she simply explained what these girls were
21 doing at the premises. The fact that these assistants were not performing any massage, and the
22 fact that they were dressed as medical assistants is strong corroboration of her position, which is
23 further buttressed by Dr. Yan's having three healing licenses, see **Exhibits A 1, 2, and 3**.

24 It is true that there are convictions with respect to this alleged conduct. In mitigation and in
25 explanation, she was simply following the advice of her attorney at the time, the late Bucky
Buchanan, who implanted in her mind that the police would stop bothering her if she simply
plead and paid the fine. As it turns out, this advice was misguided, and had an adverse, rather
than positive, effect on her situation. As hearings envision a search for the truth, it is hoped that

1 this Council will see the true state of circumstances, and hopefully realize that there are simply
2 no violations that occurred.

3 OTHER ACTS ALLEGATIONS

4 As to the establishments mentioned in this section, these arrests are approximately one per
5 year. This is hardly an indication that Dr. Ran tolerates, encourages, or acquiesces in this
6 conduct. These therapists were all required to execute contracts, and all of their deposits were
7 forfeited for violation of the contract. See **Exhibit B**.

8 Additionally, the dispositions of these charges have not been shared with the Council, only
9 that there were charges. There is no factual basis for the conclusory statement that these
10 establishments have a "history of offenses for soliciting prostitution."

11 It cannot be overlooked that many establishments in which therapists are charged with
12 offenses such as the ones that occurred here are NOT made the focus of the discipline that the
13 City seeks with respect to Dr. Ran. There should be some proportionality here, gauged by what
14 enforcement has proceeded with similarly situated persons and establishments. For instance, the
15 owner's wife/manager of Princess Massage has been arrested on multiple occasions, yet this
16 establishment remains open. Additionally, the owner of Lucky's massage was arrested, and this
17 establishment is still in business.

18 LEGAL POSITION

19 **LVMC 6.02.330A** states as follows:

20 **6.02.330 - Disciplinary action—Good cause designated.**

21 A licensee may be subject to disciplinary action by the City Council for good cause, which may,
22 without limitation, include the following:

23 (A)

24 The licensee or any of its principals is engaged, or has commenced, instituted, advertised,
25 aided, carried on, continued or engaged, in a business, trade or profession without having
obtained a valid license, an approval for suitability, a permit or a work card when such a
person knew that one was required or under such circumstances that they reasonably
should have known one was required, or has solicited, encouraged, caused or procured
another to do so;

- 1 (B) The licensee or any of its principals has been subject, in any jurisdiction, to
2 disciplinary action of any kind with respect to a license, an approval for suitability, a
3 permit or a work card to the extent that such disciplinary action reflects upon the
4 qualification, acceptability or fitness of such licensee or principal;
- 5 (C) The licensee or any of its principals has been convicted of an act which constitutes a
6 crime which involves moral turpitude or involves any local, state or federal law or
7 regulation which relates to the same or a similar business, or has been convicted of
8 having solicited, encouraged, caused or procured another to commit such a violation;
- 9 (D) The licensee or any of its principals, or their employees or those acting on their behalf,
10 violate a condition which is imposed upon the license;
- 11 (E) The licensee or any of its principals has been convicted of having perpetrated, or has
12 solicited, encouraged, caused or procured another to perpetrate, deceptive practices upon
13 the public;
- 14 (F) The licensee or any of its principals suffers from a legal disability under the laws of the
15 State;
- 16 (G) The premises on which the business is conducted do not satisfy local, state or federal law
17 or regulations which pertain to the activity which is actually engaged in;
- 18 (H) The business activity constitutes, promotes, causes, allows, fosters, aids, or otherwise
19 enables a private nuisance, public nuisance or chronic nuisance, or has been or is being
20 conducted in an unlawful, illegal or impermissible manner, including but not limited to
21 causing, allowing, promoting, fostering, aiding, enabling, exercising deliberate ignorance
22 towards or failing to abate a private nuisance, public nuisance or chronic nuisance; or
- 23 (I) The licensee, any of its principals, their employees or those acting on their behalf failed to
24 cooperate with the Director's efforts to enforce the provisions of this Code

25 With respect to Section "A," Dr. Ran reasonably believed that her acupressure
assistants, as they did not insert needles into the patients, did not need a valid license, or approval
for suitability. As this ordinance address a culpable mental state, there is no violation in this case.
She should not be forever stigmatized and unfairly hamstrung from presenting her truthful
position at the hearing.

The city does not suggest that sections "B" or "C" apply.

With respect to Section "D," although the ordinance may be vague, the city has not
articulated exactly what condition imposed on the licensee that has been violated.

The city does not suggest that Sections, "E" or "F" apply.

With respect to section "G," while it is permissible that the ordinance is broadly worded,
Respondents' conduct, when viewed in a realistic fashion and in its totality, do not demonstrate

1 that the premises of the business do not satisfy local, state or federal law or regulation. This is
2 particularly true when the events occurring at the premises are compared with similarly situated
3 businesses which remain open.

4 Respondent will now deal with section “H.” Substantively speaking, one must ask, what
5 constitutes a nuisance? The alleged actions do not fall within the statutory of “Nuisance” under
6 **NRS 40.140:**

7 **40.140. Nuisance defined; action for abatement and damages; exceptions.**

8 **1.** Except as otherwise provided in this section:

9 **(a)** Anything which is injurious to health, or indecent and offensive to the senses, or an
10 obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life
11 or property;

12 In this case, there are isolated instances of alleged illegal acts of solicitation. Dr. Ran imposes
13 written policy guidelines to the therapists who contract with her, the contractual terms carry
14 punitive sanctions as an inducement for the therapists who perform massage there to conduct
15 themselves in a lawful and respectable manner. The ones who have even been charged,
16 regardless of the outcome of the cases, have had their contracts terminated, and their deposits
17 forfeited. Dr. Ran puts teeth into her contracts. If an individual wishes to willfully defy the
18 terms of the contract and face arrest, that is their decision, however this type of conduct cannot
19 be said to be something which Dr. Ran causes, allows or promotes. It is not tolerated, the
20 therapists’ contracts are terminated, it cannot be maintained that Dr. Ran promotes, allows,
21 conduct that she specifically prohibits in the contracts. She clearly puts people on notice that she
22 will NOT tolerate such conduct. She does not pay for their attorneys, does not pay for the fines,
23 it has never been suggested that she is aiding this activity; termination the therapist’s contract
24 and requiring them to forfeit their deposit is clearly not “aiding.” She is not exercising willful
25 indifference, she is not allowing, and the termination of a contract and forfeiture of the person’s
deposit does not promote, foster, aid, or enable.

1 The activities here, the isolated and quickly punished acts of soliciting, simply do not
2 constitute a nuisance. Only one person was allowed a second chance, and when that person was
3 re charged, that person was gone. The establishment is simply not a nuisance of any kind, instead
4 it is an establishment that has a few instances where therapists exceed the written terms of their
5 contract, and Dr. Ran institutes immediate remedial measures. She does not wait for the court
6 disposition, those persons are gone, and their deposits forfeited.

7
8 With respect to section "I," there is no proof that Dr. Ran has failed to cooperate with
9 anyone in authority. She is not protecting offenders, she is not harboring or concealing them,
10 rather, they are terminated, and for the most part, on the spot.

11 LVMC 6.02.350 is stated for reference:

12 | **6.02.350 - Disciplinary action—Acts of principals and subordinates.**

13 A licensee under this Title shall be subject to disciplinary action not only for acts or omissions done
14 by such licensee but also for acts and omissions done by the principals, managers, agents, representatives,
servants or employees of such licensee

15 Respondents do not suggest that the therapists involved have been perfect. However, from a
16 proportionality standpoint of discipline, similarly situated establishments are not subjected to the
17 discipline that is attempted to be imposed. There also exists a serious question of whether a
18 therapist, with their own license, would even be considered an employee of the licensee. An
19 independent massage therapist is defined as follows, per LVMC 6.52.020:

20 **"Independent massage therapist" means a massage therapist who is not an employee of a massage**
21 **establishment, is a sole practitioner, and hires no employees.**

22 LVMC 6.52.120 is now stated for reference:

23 | **6.52.120 - Prohibited activities.**

24 It is unlawful for a massage establishment licensee, or a principal or employee thereof, to do any of
25 the following:

(A) Within a massage establishment, engage in or solicit sexual activity during the course of performing massage therapy on a person, with or without the consent of the person, including, without limitation, if the licensee, principal or employee:

(1) Made sexual advances toward the person;

(2) Requested sexual favors from the person; or

(3) Massaged, touched or applied any instrument to the breasts of the person, unless the person has signed a written consent form provided by the Nevada Board of Massage Therapists;

(B) Within a massage establishment, allow a massage therapist to engage in or solicit sexual activity in violation of Subsection (A) of this Section;

(C) Engage in false, deceptive or misleading advertising regarding the services available within a massage establishment, including, without limitation, false, deceptive or misleading advertising regarding the training that a massage establishment licensee, principal or employee has received.

The independent contractors that violated the contract were not allowed to continue to work at the premises, and their deposits were forfeited. The remedial measures were taken. Dr. Ran has not allowed a massage therapist to engage in or solicit sexual activity, rather, she terminated their independent contractor's written agreement. Further, Dr. Ran has not engaged in false, deceptive, or misleading advertising, her business is up front, and does not foster, promote, allow, encourage, or participate in illegal activities.

LVMC 6.52.080 states:

6.52.080 - Register of employees.

The licensee or principal of a massage establishment shall maintain a register of all persons who at any time are employed or contracted as massage therapists and their City and State license numbers. Such register shall be made available upon request to representatives of the Department or Metro during regular business hours.

The acupressure assistants were not contracted nor employed as massage therapists. There is no violation here.

The same holds true with **LVMC 6.52.040**:

6.52.040 - License required.

No person shall engage in, conduct or carry on, or permit to be engaged in, conducted or carried on, in or upon any premises, the operation of a massage establishment, or the performance of massage therapy as a massage therapist or a massage establishment licensee practitioner, without first obtaining and thereafter maintaining a valid unexpired license for that activity pursuant to this Title.

1 The two assistants referenced in page 3 of the City's Complaint were authorized to assist Dr.
2 Ran with acupressure, there is no indication that these two assistants did anything but that. They
3 did not perform a massage for these detectives, and were never viewed performing a massage.
4 They are allowed to be there without license, as they were not massage therapists, and were fully
5 compliant with NRS 634A.200, sec. c.

6 The Respondents acknowledge the illegality of Solicitation, so these statutes need not be
7 repeated. Dr. Ran has never been accused of Solicitation, she operates an establishment where
8 there were some rogue therapists, whose independent contracts were terminated.
9

10 11 **RIGHT TO AMEND AND SUPPLEMENT**

12 Respondents respectfully reserve the right to supplement or amend their answers filed herein.
13

14 **CONCLUSIONS AND PRAYER**

15
16 It is respectfully submitted that, based upon these facts, any substantial discipline would
17 be disproportionate to the injuries caused to the public at large, or to the facts of this case. Dr.
18 Ran has never intentionally violated any code ordinances, her only blemish was the mal-advised
19 decision to accept a conviction for conduct that her assistants were legally authorized to do.

20 WHEREFORE, the Respondents pray that after the evidence is fully and fairly considered,
21 that

- 22 1. That no violations be found,
23

24 ///

25 ///

- 1 2. That in the alternative that the Council levy minor penalties, certainly not anything rising
2 to the level cancellation or the imposition of large fines.

3
4 DATED this 12 day of July, 2010.

5
6 C. CONRAD CLAUS, ESQ.
7 THE LAW OFFICES OF C. CONRAD CLAUS
8 Nevada Bar No. 6601
9 618. S. Ogden
10 Las Vegas, NV 89101
11 (702)384-4927 Phone
12 (702)385-4927 Fax
13 Attorney for Respondents
14
15
16
17
18
19
20
21
22
23
24
25

EXHIBIT A 1

STATE OF NEVADA



The State Board of Oriental Medicine

does hereby license

JIN LI KAYE, O.M.D.

to practice

ORIENTAL MEDICINE

According to the provisions set forth in Title 64 of NRS

Issued this 25th day of

August 2001

Carson City, Nevada

LICENSE NUMBER

#1003

John S. Miller
President
Patricia O'Rourke Langston
Secretary

State of Nevada
Board of Oriental Medicine

This is to certify that Jin Li-Ran is duly licensed as an
Oriental Medical Doctor in accordance with the
Oriental Medicine Act, and is entitled to practice as
prescribed by the certificate as issued.

License No. 1003

Expires: 01/31/11

Licensee

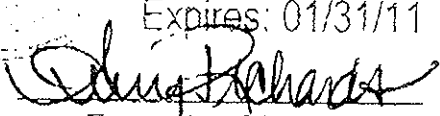

Executive Director

EXHIBIT A 2

BUSINESS LICENSE

City of Las Vegas • Las Vegas, Nevada

IN ACCORDANCE WITH THE PROVISIONS OF THE LAS VEGAS MUNICIPAL CODE, AS AMENDED, LICENSE IS HEREBY GRANTED TO OPERATE THE BUSINESS REFERENCED BELOW:

LICENSE #: A38-00018-L-100306

DATE ISSUED: 12/13/01

TYPE OF LICENSE: ACUPRESSURE
ACUPRESSURE

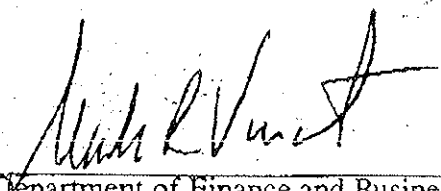
BUSINESS LOCATION: 2600 W SAHARA AV 115

ISSUE TO:

ORIENTAL ANGELS
2600 W SAHARA AVE 115
LAS VEGAS NV 89102

ER

PRINCIPAL(S)
KAYE, JINLI, 100%


Director, Department of Finance and Business Services

Post in a conspicuous place.



EXHIBIT A 3

BUSINESS LICENSE

City of Las Vegas • Las Vegas, Nevada

IN ACCORDANCE WITH THE PROVISIONS OF THE LAS VEGAS MUNICIPAL CODE, AS AMENDED, LICENSE IS HEREBY GRANTED TO OPERATE THE BUSINESS REFERENCED BELOW:

LICENSE #: H10-00129-3-100306

DATE ISSUED: 05/24/02

TYPE OF LICENSE: CHINESE HERBS

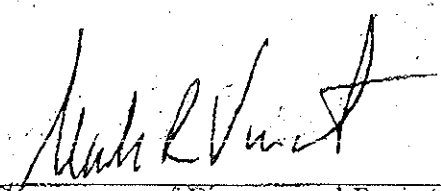
BUSINESS LOCATION: 2600 W SAHARA AV 115

ISSUE TO:

ORIENTAL ANGELS
1005 ALLURE DR
LAS VEGAS NV 89128

PRINCIPAL(S)

RAN, JINLI, MEM/100%


Director, Department of Finance and Business Services

Post in a conspicuous place.



EXHIBIT B

Ran Oriental Therapy's Service Contract

Agreement made this day May 18, 2008, between Ran Oriental Therapy's, LLC. (hereinafter referred to as Oriental Angels) and Xue Rong Fu (hereinafter referred to as Massage Therapist). It is mutually agreed between the two partners as follows.

1. Oriental Angels is located at 2600 W. Sahara, suite# 115, Las Vegas, NV .89102
2. Massage therapist must have City of Las Vegas massage therapist license and health card, which the massage therapist will have with them all the time.
 - A.) Proof of massage therapist insurance.
 - B.) Massage therapist is required to stay current on all of these requirements by City of Las Vegas code and to work as an independent for Oriental Angels
3. No outcall massage
- 4a.) Unethical or nude or sexual behavior will not be tolerated. Immediate termination and the massage therapist will be responsible for all fines and penalties by the metro police department, by involvement in the unethical behavior. Oriental Angels will not be responsible for any unethical behavior of any of the independent massage therapists that is working at Oriental Angels.
 - b.) Massage therapist can give out information and business cards for Oriental Angels only. There will be immediate termination of massage therapist if therapist is promoting individual business instead of promoting Oriental Angels. It is unethical to steal clients from Oriental Angels This includes using Oriental Angels business to make your own outcall appointments. Oriental Angels' massage

therapists do not do outcalls. Oriental Angels is not responsible for any person or massage therapist who misrepresents this company.

c.) Massage therapist is allowed to promote only Oriental Angels, and schedule clients for appointments.

d.) Any violation of item 3 or 4 above will result in the therapist being fired and forfeiting the entire deposit that was collected from her when she started working.

5. Massage Therapist is to have professional attire appropriate for massage therapist work. No halter top, short skirts or inappropriate attire is allowed.

6. No alcohol or drugs are allowed on property, nor used before or while at work for Oriental Angels.

7. Independent massage therapist must have respect for Oriental Angels place of business by keeping all rooms tidy and clean, including the bathrooms and showers and break room.

8. Massage therapist is an independent contractor. She is responsible for her own taxes and benefits. Pay scale is \$20 for a half hour massage and \$30 for one hour massage, plus massage therapist keeps tips.

9. No use of personal cellular phones during massage sessions. No use of Oriental Angels business phone for personal business.

10. It is the responsibility of each massage therapist to obtain their own health insurance if they desire. If the therapist injures themselves during their working, their own insurance will be used to pay for their medical bills. Oriental Angels

will not be responsible for the medical bills of the independent massage therapist that work here.

11. It is also the responsibility of each therapist to obtain their own disability insurance if they desire, in case they are unable to work due to injury. Oriental Angels is not responsible for disability insurance for its independent therapist.

12. Each massage therapist is responsibility to laundry the sheets and towels they use for their customers.

Independent Contractor/ Massage Therapist

Date

Ran Oriental Therapy's, LLC. Representative

Date

RECEIVED
CITY CLERK

2010 JUL 14 A 9:19

1 **ROC**

2 C. CONRAD CLAUS, ESQ.

3 THE LAW OFFICES OF C. CONRAD CLAUS

4 Nevada Bar No. 6601

5 816. S. Ogden

6 Las Vegas, NV 89101

7 (702)384-4927 Phone

8 (702)385-4927 Fax

9 Attorney for Defendant/Counter Plaintiff

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE CITY COUNCIL
OF THE CITY OF LAS VEGAS, NEVADA

IN THE MATTER OF:

DEPARTMENT OF FINANCE AND
BUSINESS SERVICES on behalf of the
CITY OF LAS VEGAS, NEVADA,

Petitioners,

vs.

RAN ORIENTAL THERAPY'S LLC, a
Nevada limited liability company/d/b/a
ORIENTAL ANGELS MASSAGE and DR.
JINLI RAN,

Respondents

RESPONDENTS' ANSWER TO
CITY OF LAS VEGAS'S
COMPLAINT DISCIPLINARY
ACTION-R.O.C.

RECEIPT OF COPY

A copy of RESPONDENTS' RAN ORIENTAL THERAPY'S LLC, a Nevada limited
liability company/d/b/a ORIENTAL ANGELS MASSAGE and DR. JINLI RAN'S ANSWER
TO CITY OF LAS VEGAS'S COMPLAINT FOR DISCIPLINARY ACTION is hereby
received this __th day of July, 2010.

CITY COUNCIL FOR THE CITY OF LAS VEGAS