



**Building a Sustainable Future for Nevada**





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## HAVE A SUGGESTION FOR THE NEXT ISSUE?

Send us an e-mail and let us know!

Jennifer Lewis, Public Information Officer: [JLewis@nscb.state.nv.us](mailto:JLewis@nscb.state.nv.us)

Scott Smith, Public Information Specialist: [SSmith@nscb.state.nv.us](mailto:SSmith@nscb.state.nv.us)

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# Message from Chair Kent Lay

The holiday season has a way of helping us reflect on what is going well and encourages us to identify opportunities to make meaningful impacts in the lives of others.

As an industry, we have been fortunate to welcome back a growing economy. And although workforce shortages are still being noticed, significant strides are being made across government agencies and industry groups to identify collaborative solutions, develop innovative programs, and enhance the resources available to both employers and prospective employees.

Through our data collection efforts, the Contractors Board is able to identify industry trends and uses this information to proactively forecast what might lie ahead.

Noted in this issue of Horizons, you will find that our new license applications are up by eight percent compared to the first quarter last year, with 63 percent being filed by in-state applicants and 27 percent coming from out-of-state applicants. The top classifications applied for align with the types of projects we are seeing throughout the industry, including general building, general engineering, electrical, carpentry, painting, and plumbing.

The Board also realized a seven percent increase in the number of licenses issued this quarter compared to the same period last year, increasing our active license count by four percent for a total of 16,226.

Consistent review and tracking of these statistics becomes a vital part of our operations and guides the Board in its development of

strategic initiatives each year. We also use these trends to focus our communication with industry groups, state and local agencies, and consumer groups to address relevant issues being experienced throughout Nevada.



Our annual Contractor Training Day event is one opportunity the Contractors Board makes available to share important information and resources with the industry that licensees may have otherwise not had access to. These forums encourage open discussions with experts.

The Contractors Board is also proud to make its licensure by endorsement program available. The recently implemented program is beginning to gain traction, and we hope it will serve as an incentive to welcome more businesses to the state. Specifically, the program allows applicants to request endorsement of experience and/or trade exam requirements based on licensure in another state with similar requirements. During the first quarter, 11.4% of applicants took advantage of this opportunity - a figure we hope to see increase over time.

Trends such as this continue to shape the services the Contractors Board provides and impact the development of future initiatives the Board sets out to achieve. This approach allows us to adapt to new changes as needed in order to best meet the needs of those we serve.



# Message From Executive Officer Margi Grein

As we transition from summer to fall, I am noticing how similar the changing of the seasons is to our strategic planning journey. Just as the blazing sun settles endlessly overhead during the summer months, there are times throughout the year when our efforts toward meeting certain objectives can feel slow-moving as we become eager for the next phase of our plan to arrive.

I am appreciative of our strategic planning process. Every three months, we have an opportunity to put time on a brief pause and evaluate the value of our efforts and the progress we are making.

The majority of our first quarter initiatives for FY 2019-20 included implementing changes made during the 2019 Legislative Session that focused on changes to our license application requirements, improvements to requirements for licensed contractors, modifications to the Board's cease and desist procedures, addressing concerns with the general building contractor classification, and increasing the payouts for the Residential Recovery Fund.

The Board made changes to public forms and documents, updated Board policies, and educated and trained staff on the new laws.



We also had the opportunity to work with Governor Steve Sisolak's office on the development of three public service announcements that promoted senior protections against home repair scams, the importance of hiring licensed Nevada contractors, as well as the Board's Residential Recovery Fund.

This past quarter, we continued our efforts to work collaboratively with state agency leaders, legislators and other government officials to find common goals and share resources relative to occupational licensing and regulatory board responsibilities. The Contractors Board helped facilitate training among state boards with the Federation of Association of Regulatory Boards, and has been meeting with agencies proactively to develop shared best-practices in the regulatory community.

Keeping up with new trends and adapting to the needs of our customers and the industry at-large will always remain a priority in our quest to be a model regulatory agency. Recent audit reports have demonstrated the competency of our Board and have aided in our efforts to illustrate the public protections and regulatory purpose we are charged with.

You will find, however, that complacency is not a term in our vocabulary. Whether finding new ways to outreach to seniors and disadvantaged groups who are often victimized, or identifying options to reduce barriers to licensure for the next generation of licensed contractors, the Contractors Board approaches each day with a mindset to improve. So we welcome this new season and the initiatives that lie before us, as they help make us better than we were previously.

*Margi A. Grein*



# Licensing Department

NSCB's Licensing Department is responsible for processing license applications and ensuring all necessary qualifications are met. Applicants are encouraged to attend a free Business Assistance Program offered once a month in each of the Board's offices, which guides applicants through key areas of the application, experience qualifications, and exam and bonding requirements.

## Board Adopts New Regulations

During the first quarter of 2019-20, the Board held a public workshop and hearing on proposed regulation, LCB File R023-19 and R013-19, which amend NAC Chapter 624 in order to:

- Reduce barriers to licensure and provide greater portability by expanding and clarifying types of experience documentation needed for an applicant to become a licensed contractor;
- Resolve conflict among various statutory schemes that can be reconciled and clarified by defining the employer-employee relationship as used in NRS Chapter 624; and
- Establish qualifications for hearing officers.

After receiving no comments, the Board adopted the language as written.

The adopted regulations were approved by the Legislative Commission and became effective October 30, 2019.

### JULY 1 TO SEPT. 30

|                                    |        |
|------------------------------------|--------|
| New License Applications           | 497    |
| Issued Licenses                    | 383    |
| Change Applications:               | 711    |
| Active Licenses                    | 16,226 |
| Inactive Licenses                  | 451    |
| Placed on Inactive Status          | 45     |
| Voluntary Surrender                | 58     |
| Licenses Cancelled                 | 150    |
| License Suspensions (no bond)      | 148    |
| Active License Renewals            | 1,865  |
| Inactive License Renewals          | 55     |
| Application Denial Hearings:       | 12     |
| Financial Responsibility Hearings: | 3      |
| CMS Exams                          | 382    |
| Trade Exams                        | 364    |
| Single Project Limit Increases     | 9      |

## Top License Classifications Issued During 1st Quarter FY 2019-20

| Primary Classification | Trade                            | 1st Quarter 2019-20 |              |       |
|------------------------|----------------------------------|---------------------|--------------|-------|
|                        |                                  | In State            | Out of State | Total |
| B                      | General Building                 | 35                  | 39           | 74    |
| A                      | General Engineering              | 21                  | 29           | 50    |
| C-2                    | Electrical                       | 24                  | 19           | 43    |
| C-3                    | Carpentry                        | 31                  | 6            | 37    |
| C-4                    | Painting                         | 15                  | 3            | 18    |
| C-20                   | Tiling                           | 18                  | 0            | 18    |
| C-21                   | Refrigeration & Air Conditioning | 14                  | 4            | 18    |
| C-1                    | Plumbing                         | 12                  | 4            | 16    |
| C-5                    | Concrete                         | 14                  | 2            | 16    |
| C-14                   | Steel Reinforcing & Erection     | 7                   | 8            | 15    |
| C-16                   | Finishing Floors                 | 12                  | 3            | 15    |



# Investigations Department

NSCB's Investigations Department responds to all complaints against licensed and unlicensed contractors. The Board assists homeowners and licensed contractors with contracting matters, such as workmanship issues, abandonment, money owing complaints and violations of industry regulations. After gathering evidence against unlicensed contractors, the Board may issue Administrative Citations or may submit cases to the local district attorney, who may file and prosecute misdemeanor, gross misdemeanor or felony charges.

## **JULY 1 TO SEPT. 30**

### **622 Complaints Opened**

- 201 Workmanship
- 51 Money Owing
- 160 Industrial Regulation
- 157 Contracting without a License
- 51 Unlawful Advertising
- 2 Criminal Fraud

### **152 Citations Issued**

- 68 Administrative Citations issued to licensed contractors
  - \$113,550 in Fines
  - \$26,468 in Costs
- 84 Administrative Citations issued to unlicensed contractors
  - \$110,200 in Fines
  - \$34,738 in Costs

### **44 Disciplinary Hearings**

- 15 Licenses Revoked
- 34 Cases assessed fines & costs
  - \$140,450 in Fines
  - \$47,526 in Costs

### **41 Criminal Affidavits Filed with District Attorney Offices**

### **120 Cease & Desist Orders Issued to Unlicensed Contractors**

## **Repeat Offender in Nye County Convicted of Gross Misdemeanor**

Homeowners living in Pahrump, Nev. received justice after Donald Guthrie, an unlicensed contractor advertising as Don's Handyman Service, was found guilty of a gross misdemeanor for conspiracy to obtain money under false pretenses. Guthrie was ordered by the 5th Judicial District Court to a one-year prison sentence, which was suspended to three years' probation and 90 days in Pahrump County Jail.



Restitution totaling \$8,850 was also ordered to be paid to two victims. Guthrie's recent cases included projects to re-roof a home and construct an outdoor patio/sunroom, which require a contractor's license. Evidence collected by the Contractors Board throughout the investigative process validated that Guthrie would accept large down payments and perform little or no work.





### **What is a Public Work?**

- Any project for the new construction, repair or reconstruction of a project financed in whole or in part from public money. Nevada Revised Statutes (NRS) 338.010(17).

### **What is a Public Body?**

- The State of Nevada or any county, city, town, school district any public agency or any political subdivision sponsoring a public work. NRS 338.010(16).

### **What contracts are subject to Prevailing Wage?**

- Every contract over \$100,000.00 to which a public body is a party. Assembly Bill (AB) 136 passed during the 2019 Legislative Session.

### **Are Charter Schools exempt from Prevailing Wage requirements?**

- Charter Schools are subject to Public Works and Prevailing Wage laws. AB 136 passed during the 2019 Legislative Session.

### **Is there a 90% rate for work done on Nevada System of Higher Education (NSHE) and School Construction?**

- The 90% NSHE and School Construction Rate was eliminated – effective July 1, 2019. It is not retroactive. AB 136 passed during the 2019 Legislative Session.

### **Are salaried employees paid Prevailing Wage?**

- Salaried employees must be paid the applicable Prevailing Wage rate for the work they perform on a prevailing wage job site. They must be paid the applicable rate of wages for the classification or work performed. There is no “salaried employee” exception for any workman under NRS 338.

### **When does overtime need to be paid?**

- A contractor or subcontractor must pay any mechanic or workman one and half times the applicable prevailing wage rate for worked performed on a public work in excess of forty hours in a workweek or eight hours in any work day. Zone rates are added to the hourly rate, and then overtime is calculated on that rate. (NRS 338.020)

### **Are there exceptions to daily overtime?**

- An exception to the daily overtime rule may apply when, by mutual agreement, a scheduled 10 hours per day for 4 calendar days (4/10) within a scheduled work week are worked. The 4/10 schedule must be strictly adhered to or overtime may become due. Advisory Opinion AO 2013-04.

### **Bona Fide Fringe Benefits**

- Established for the sole and exclusive benefit of a worker and his or her family and dependents; and for which none of the assets will revert to, or otherwise be credited to, any contributing employer or sponsor of the fund, plan or program. AB 190.

### **Use of Apprentices be on Public Works Projects?**

- Effect January 1, 2020 - A contractor or subcontractor employing a worker as defined in NRS 338.040...shall use one or more apprentices for at least 10% of the total hours of vertical construction and 3% of the total hours for horizontal construction of the total hours of labor worked for each apprenticed craft or type of work to be performed on the public work when more than three (3) employees of each craft are employed at the site of work. Senate Bill (SB) 207 passed during the 2019 Legislative Session. A Waiver may be granted under certain circumstances. See SB 207.

### **What Prevailing Wage rate should be applied?**

- The worker must be paid the rate for the type of work actually performed. NRS & NAC 338.

### **Must subcontractors be reported?**

- Each contractor on a public work shall report to the Labor Commissioner and the public body that awarded the contract the name and address of each subcontractor whom the contractor engages for work on the project within 10 days after the subcontractor commences the contract. (NRS 338.013)

\* Please review the most recent NRS and/or Nevada Administrative Codes for the most current laws.\*

**This document should not be considered legal advice.**

*Questions concerning prevailing wages should be directed to the Office of the Labor Commissioner at (702) 486-2650 or (775) 684-1890 - Select Menu Option #1*





*Jefferson Boswell, Esq. of Peel Brimley discusses mechanic's liens with attendees at the Nevada State Contractors Board's Contractor Training Day presentation in Las Vegas.*

## Training Day speakers well-received

Contractors got a glimpse of the future of the industry, received tips on navigating legal issues, and obtained guidance on avoiding pitfalls by staying on the right side of the law at the Nevada State Contractors Board's sixth annual Contractor Training Day.

Close to 100 people attended the events, conducted concurrently at the Carpenters Training Hall in Las Vegas and the Associated General Contractors, Nevada Chapter offices in Reno. Each venue featured similar topics with local variations during several panel discussions and audience par-

ticipation.

"The Contractors Board is pleased to offer this educational seminar to Nevada's contractors," Board Executive Officer Margi A. Grein said. "We are always grateful for the time each of our expert speakers dedicates to this event, which helps provide those in attendance with current resources, information, and 'big-picture' trends noticed in the industry."

The half-day event kicked off with a contractor compliance panel. Representatives from the Contractors Board, the State Labor Commissioner's Office, the Department of

Industrial Relations, and local building departments shared insights on compliance issues and services their agencies provide to help contractors.

Legal experts were next in line offering advice and guidance on topics relevant to operating a construction business. The seminar devoted much time to Nevada's lien law. Information included the restrictions on lienning public projects, an exploration of "pay when paid" contract language, and an overview of contractors' responsibilities when preparing, filing, enforcing and removing liens.

*See TRAINING, page 9*



# NSCB seeks premises for stings

The Nevada State Contractors Board is seeking locations for its unlicensed contractor sting operations.

Homeowners, business owners and residential property developers interested in volunteering their sites can contact the Board's Director of Investigations, Paul Rozario.

"Stings assist in protecting the health and safety of the public from unqualified and sometimes dangerous people," NSCB Executive Officer Margi A. Grein said.

Investigators in the Contractors Board's Reno and Henderson offices conduct stings throughout the state. Recently constructed homes and vacant small business locations and offices are ideal locations for the undercover operations.



During a sting, investigators pose as property owners. They schedule appointments with suspected unlicensed individuals to visit the location and provide estimates. It is illegal in Nevada to perform any construction or repair project valued at more than \$1,000, or any plumbing, heating, electrical, HVAC work,

regardless of cost, without a license. Evidence gathered from the sting is investigated and may result in the issuance of an Administrative Citation or the Board may submit the case to the local district attorney for criminal prosecution.

"Unlicensed contractors often do not carry workers compensation insurance and have not proven their experience in the trade they are performing. This puts consumers' finances and possibly their physical safety in jeopardy," Grein said. "In addition, home repair and improvement projects performed by unlicensed contractors greatly reduces the options available to consumers to remedy issues that may occur during a project."

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## *TRAINING from page 8*

Used properly, liens help contractors in securing payment for services or materials. To get the most out of their lien rights, contractors must adhere to strict timeframes and accuracy standards.

A panel of construction lawyers addressed other pressing legal issues, as well. They encouraged the audience to retain legal counsel at the first sign of trouble. Inexpensive retainer options are available so contractors can obtain opinions quickly and resolve minor issues before they become complicated.

They discussed labor relations, employment discrimination, sexual harassment, construction defects and more.

Labor leaders and representatives from the Governor's Office of Workforce Innovation outlined several programs designed to spur interest

and next-generation employment in the construction industry. They told the audience that educational challenges and parental and student attitudes hinder the industry's attempts to present construction as a rewarding career.

It was noted that as the construction workforce continues to age, students seem less interested in careers in construction management and the skilled trades. The panelists shared a number of resources available to employers to gain access to skilled labor as well as retain their existing workforce.

The Contractors Board participates regularly in industry talks with middle school, high school, and college students to highlight viable career paths in construction.



# Board Disciplines Contractors

**RENO and HENDERSON, Nev.** – The Nevada State Contractors Board disciplined licensed contractors for violations of Nevada Revised Statutes Chapter 624 during its July, August and September hearings.

**Ambler Tile & Stone, LLC**, license number 83243 (tiling) based out of Carson City, Nev., was found in violation for failure to establish financial responsibility and failure to comply with a written request from the Board. The license was revoked. Licensee was fined \$750 and assessed investigative costs.

**Kevin Lee Robinson, dba Kevco Construction**, license number 30505 (residential and small commercial) and **Kevin Lee Robinson, dba Hunter Electric**, license number 38140 (electrical wiring and photovoltaics) based out of Henderson, Nev., were found in violation failure to establish financial responsibility, failure to keep records of receipts and disbursements, contracting beyond the scope of the license and bidding in excess of the monetary limit. The licenses were placed on probation. Licensee was fined \$15,000 and assessed investigative costs.

**Satori, Inc.**, license number 80441 (general building) based out of Millcreek, Utah, was found in violation for failure to establish financial responsibility, failure to pay for materials or services, failure to include the license number or monetary limit on a bid or contract and failure to comply with a request from the Board. The license was suspended. Licensee was fined \$4,000 and assessed investigative costs.

**Del H Contractors, LLC**, license numbers 76782 (residential and small commercial) based out of Las Vegas, Nev., was found in violation for abandonment of a construction project and failure to comply with the terms of a contract. Licensee was fined \$2,000 and assessed investigative costs.

**Awesome Floors, Inc.**, license numbers 71939 (tiling) and 59488 (finishing floors) based out of Las Vegas, Nev., were found in violation for failure to comply with an order from the Board. The licenses were revoked. Licensee was fined \$1,000 and assessed investigative costs.

**Hummingbird Landscape and Design, LLC**, license number 80940 (landscaping) based out of Las Vegas, Nev., was found in violation for abandonment of a construction project, failure to comply with the terms of a contract, disregard of safety or labor laws, disregard of industrial insurance laws, failure to establish financial responsibility, failure to keep in force a bond or cash deposit, failure to comply with the Board's regulations, failure to include the license number or monetary limit on a bid or contract, failure to comply with a notice to correct, failure to include Residential Recovery Fund information on a contract, substandard workmanship, failure to comply with a Board request for information and failure to cooperate in the investigation of a complaint. The license was revoked. Licensee was fined \$21,000 and assessed investigative costs.

**Precision Steel Post Tension, LLC**, license number 80202 (reinforcing steel) based out of Las Vegas, Nev., was found in violation for failure to establish financial responsibility, failure to pay for materials or services, misrepresentation of a material fact, committing a fraudulent or deceitful act, contracting while a license is suspended or revoked and failure to comply with a request from the Board. The license was revoked. Licensee was fined \$7,000 and assessed investigative costs.

**Julio Bello Casarin, dba Genesis Air Systems**, license number 47604 (air conditioning) based out of North Las Vegas, Nev., was found in violation for failure to establish finan-

*See DISCIPLINE, page 11*



## **DISCIPLINE** from page 10

cial responsibility, disregard of industrial insurance laws, failure to comply with Board regulations, failure to notify the Board of a change of address or personnel, failure to cooperate in an investigation and failure to comply with a Board request for information. The license was revoked. Licensee was fined \$6,000 and assessed investigative costs.

**A&R Complete Service Corp.**, license numbers 67688 (refrigeration and air conditioning), 70013 (plumbing) and 74317 (electrical) based out of Las Vegas, Nev., was found in violation for failure to pay for materials or services, failure to keep in force a bond or cash deposit and failure to comply with a Board request for information. License numbers 70013 and 74317 were revoked. Licensee was fined \$1,750 and assessed investigative costs.

**L.I.A. Construction, LLC, dba L.I.A. Construction, LLC**, license number 81510 (residential and small commercial), based out of

Las Vegas, Nev., was found in violation for disregard of the state's building laws, failure to include Residential Recovery Fund information in a contract, committing a fraudulent or deceitful act, knowingly making a false statement regarding a lien, and failure to provide required disclosures. Licensee was fined \$3,250, assessed investigative costs and ordered to remove the lien from the complainant's property and return property.

**Garcia Shotcrete, Inc.**, license numbers 53486 (spraying mixtures containing concrete) and 79832 (reinforcing steel), based out of North Las Vegas, Nev., was found in violation for failure to pay for materials or services, disregard of industrial insurance laws, failure to establish financial responsibility, failure to keep in force a bond or cash deposit, failure to comply with Board regulations, failure to cooperate in an investigation and failure to comply with a Board request for information. The licenses were revoked. Licensee

*See DISCIPLINE, page 12*



# Protect your business.

# ONLY HIRE LICENSED CONTRACTORS.

**Why hire licensed contractors:**

- Passed all required trade and law exams
- Demonstrated experience in the trade
- Verified financial responsibility
- Held responsible to all applicable state and local law requirements

**Protections from the NSCB:**

- Can file a complaint with the NSCB up to 4 years from the date the project is performed
- Receive full investigative resources by the NSCB
- Provided options for remedying valid workmanship issues



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## **DISCIPLINE from page 11**

was fined \$7,250 and assessed investigative costs.

**Roman Wilk, dba R.W. Painting,** license number 68145 (painting, wallcovering), based out of Las Vegas, Nev., was found in violation for disregard of the state's industrial insurance laws, failure to establish financial responsibility and failure to include the license number or monetary limit on a bid or contract. The license was revoked. Licensee was fined \$2,000 and assessed investigative costs.

**CR Construction LLC, dba C1 Construction,** license numbers 78295 (residential and small commercial) and 80606 (refrigeration and air conditioning) based out of Las Vegas, Nev., was found in violation for failure to establish financial responsibility, failure to comply with Board regulations and failure to comply with a Board request for information. The licenses were revoked. Licensee was fined \$1,300 and assessed investigative costs.

**Grizzly Construction,** license number 82526 (residential and small commercial) based out of Reno, Nev., was found in violation for abandoning a construction project, failure to complete a construction project for the price state on a contract, disregard of state building laws, diversion of money or property, failure

to pay for materials or services, failure to include Residential Recovery Fund information in a contract, failure to provide required disclosures in a contract substandard workmanship, failure to cooperate in an investigation of a complaint and misuse of the license. The license was revoked. Licensee was fined \$16,000 and assessed investigative costs.

**Quick Systems, Inc.,** license number 83100 (electrical) based out of Reno, Nev., was found in violation for disregard of industrial insurance laws, failure to pay for materials or services, failure to establish financial responsibility, failure to comply with Board regulations, failure to include Residential Recovery Fund information in a contract, failure to include the name and license

number on an advertisement, failure to cooperate in the investigation of a complaint and failure to comply with a Board request for information. The license was revoked. Licensee was fined \$11,000 and assessed investigative costs.

**N.D. Concrete, LLC,** license numbers 60867 (concrete) and 70574 (spraying mixtures containing concrete) based out of Las Vegas, Nev., was found in violation for substandard workmanship and failure to comply with a Board request for information. Licensee was fined \$1,500 and assessed investigative costs

**Musi & Sabbadini Group, Inc., dba M+S Electric,** license number 78629 (electrical) based out of Las Vegas, Nev., was found in viola-

*See DISCIPLINE, page 13*

## **Save Time - Renew Your Contractor's License Online!**



**<http://nscb.nv.gov/#online>**



## **DISCIPLINE from page 12**

tion for acting as agent partner or associate of an unlicensed person, failure to include Residential Recovery Fund information in a contract, allowing the license to be used by an unlicensed person, committing a fraudulent or deceitful act and aiding, abetting or conspiring with an unlicensed person. The license was placed on probation for two years. Licensee was fined \$35,100 and assessed investigative costs.

**Las Vegas Home Theaters, LLC**, license number 83851 (low voltage electric) based out of Las Vegas, Nev., was suspended pending the re-

scheduled hearing on October 16.

**Robert John Boeddeker, dba RJB Systems Technology**, license number 52985 (electrical) based out of Las Vegas, Nev., was found in violation for abandonment of a construction project, failure to diligently prosecute a project, failure to comply with the terms of a contract, failure to establish financial responsibility, failure to comply with a notice to correct and substandard workmanship. The license was revoked. Licensee was fined \$6,000 and assessed investigative costs.

# Before You Submit Your Application, Stop by Our Business Assistance Program

## **Receive Information On:**

**Exam Endorsement Agreements**

**Background Disclosures**

**Financial Documents (credit reports)**

**References & Resume Requirements**

**Secretary of State Registration**

**& MORE!**

### **Reno**

**3rd Friday Every Month\***

**9 a.m. to 11:00 a.m.**

5390 Kietzke Lane, Suite 102

Contact Araceli Martinez

Phone: 775-850-7810

[amartinez@nscb.state.nv.us](mailto:amartinez@nscb.state.nv.us)

### **Henderson**

**3rd Friday Every Month\***

**9 a.m. to 11:00 a.m.**

2310 Corporate Circle, Suite 200

Contact: Lisa Bedsole

(702) 486-1100, Ext. 1120

[lbedsole@nscb.state.nv.us](mailto:lbedsole@nscb.state.nv.us)



# Business transactions: Know the law

By Jeff Spencer

It is a great time to be a contractor in Nevada. Most are as busy as they want to be and are doing work they can be proud of. Many contractors are also thinking about what comes next. Right now, business valuations are a hot topic because profits and revenue are high. High valuations mean it may be a good time for experienced contractors to cash out. It may also mean it is a great time to start another company to help capture some of the increased work that is available. Most contractors recognize that Nevada has a challenging licensing scheme. The rules and limitations on what you can do with your company, and more importantly, what you can do with your hard-earned contractor's license, are not always easy to understand. This article provides some guidance for the most common licensing issues facing contractors seeking to change the status or structure of their company.

## Basic Considerations

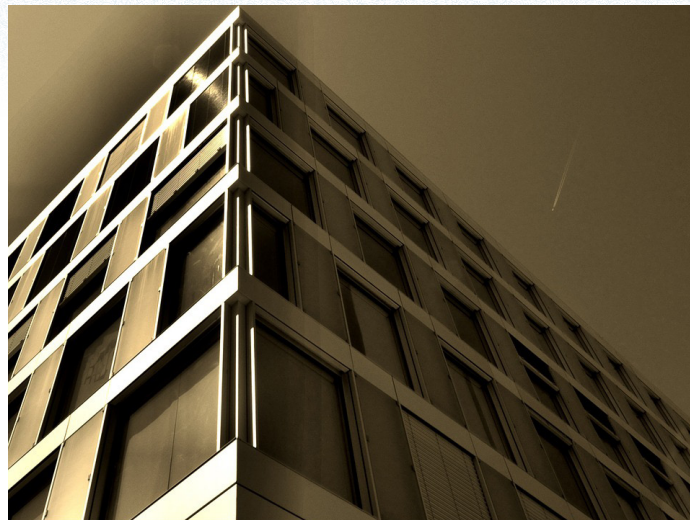
You know you cannot sell or rent your contractor's license or your qualified employee ("QE") to somebody else. You know that every contractor in Nevada must have a QE. If the QE quits, retires or dies, the company has 30 days to find a replacement.

## Selling your Company

If you want to sell your company your buyer will need to bring on a QE. The documents needed for the Board depend on the type of company you have. To sell a corporation, a Stock Purchase Agreement must be prepared. For an LLC, a Membership Interest Transfer Agreement is necessary. For sole proprietors or general partnerships, a buy-sell agreement may be enough. Sometimes, a conversion between entity types is possible. Remember, your contractor's license is tied to the licensed entity. If you change or dissolve the existing business entity, a new license will be required.

## Closing your Company and/or Retiring

Do you want to be done with the hassles of contracting and end your career on a high note?



Close your company, but do it very carefully. You may have obligations to employees, suppliers, subcontractors, clients, unions, shareholders, investors, spouses, and even the Contractors Board, as well as ongoing jobs, state and federal taxes or ongoing or anticipated litigation. With the Board, you can surrender your license, put it on inactive status, or – if you do not take care of the foregoing obligations – have it revoked. Your business licenses issued by your county and the state must also be handled in a proper manner to avoid future liabilities.

## Expanding your Company

Your first business is doing well, so why not expand? You can apply for a new license classification under your existing company. If you can take and pass the contractor's exam, you may be able to hold the new license type under your existing company. This will allow your company to offer a larger scope of construction services.

## Starting another Company

You are an expert at your type of construction. Why not start another company that does the same type of construction work? You can serve as the QE for multiple companies, provided that you own at least 25 percent of each. This ownership percentage limitation is also true if you start a new company with a different license classification.

*See BUSINESS, page 15*



# Patriot program connects employers to veterans

Landing a good-paying job can be a challenge, particularly for military members transitioning from service to civilian life. That's in part what the Patriot Employer Program seeks to address.

The Patriot Employer Program provides employers with the tools and knowledge to hire and retain veterans. Just as important, it also demonstrates to Nevada businesses the benefits of utilizing men and women who have served.

The benefit of hiring veterans goes far beyond tax breaks and incentives. Anyone who has served in the military is familiar with discipline and teamwork. They have respect for policies and procedures and they know the importance of overcoming adversity to complete the mission.

Most former military are comfortable with technology and have been in positions where they had to learn new skills or adapt quickly. They also come with a set of values including integrity, honesty, and trustworthiness that would make any business or company proud.

The Patriot Employer Program provides businesses with a toolkit. Employers also receive knowledge through an online course. Upon completion of the course, that business is eligible to receive a decal and certificate, signed by the Governor, and presented in a ceremony, to be proudly displayed.

For more information on the Patriot Employer Program, visit <https://veterans.nv.gov/employers/patriot-employer-program>.

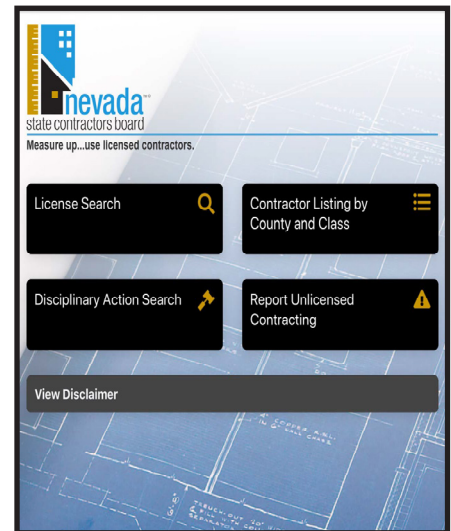
## DOWNLOAD NSCB's MOBILE APP

Use the app to verify a contractor's license or report unlicensed contracting.

Available for Android & Apple products

Search "NSCB"

Download for free!



## BUSINESS from page 14

### Selling Part of your Company

You can sell a portion of your company to outside investors or inside key employees as a reward (and incentive to stay). After the sale, you will need to file a change of ownership form with the Board.

Nevada is an attractive market to out of state contractors. Sometimes, an out-of-state contractor will seek to acquire an in-state contractor to get a jumpstart in the local market and avoid licensing delays. After the purchase, the out-of-state contractor can then work legally in Nevada and capitalize on the local company's relationships with suppliers and customers and possibly their preferred bidder status. This can be accom-

plished by carefully structuring the buyout of the local company and preserving its licensing status. A financial statement dated after the acquisition will be required as part of the ownership transfer application to the Board.

As always in the law, there are exceptions to everything, and your particular circumstance may differ from the considerations listed above. Contact an experienced attorney to help transition your company into what you want it to become.

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Jeff Spencer is a partner at Silver State Law and has practiced construction and property law in northern Nevada for more than 15 years.



# Continued Education & Training

**T**echnology has changed the way different industries operate. It has even changed the construction industry. In order to keep up with changing technology and information, it has become a necessity to continually seek training and education. If you are interested in furthering your education and training your employees, please click on links to various OSHA safety, construction and computer courses. Links will direct you to various educational institutions located in Northern and Southern Nevada. Contact information will be listed, so please direct any questions regarding the courses to the educational institutions.

*\*\*Continuing education is not required in order to maintain a Nevada contractor's license.*

## Southern Nevada

### College of Southern Nevada

#### CSN Course Schedule (.pdf)

*\*Please Note: The CSN Course Schedule link is a PDF document. The following pages and categories are listed for your convenience. Note, too, that some courses may require prerequisites.*

Air Conditioning Technology - pg. 5

Computer Office Technology - pg. 31

Building Information Modeling - pg. 7

Fire Protection - pg. 62

Building Codes, pg. 7, pg. 16

Geographic Information Systems - pg. 65

Construction Technology - pg. 20

Mechanical Technology, pg. 85

Computer Aided Drafting/Design - pg. 22

Sustainable Construction - pg. 110

Construction Management - pg. 31

General Inquiries Contact: (702) 650-2276

#### OSHA Safety Courses

<http://tinyurl.com/6pa9vyx>

#### Computer Courses

<http://tinyurl.com/6twzcuq>

#### Computer Basics

<http://tinyurl.com/6wubnmm>

#### Contact:

[OSHAOTIEC@csn.edu](mailto:OSHAOTIEC@csn.edu) or

1 (877) 651-OSHA

#### Contact:

[DWED@csn.edu](mailto:DWED@csn.edu)

(702) 651-4747

#### Contact:

[DWED@csn.edu](mailto:DWED@csn.edu)

(702) 651-4747



# Northern Nevada

## Truckee Meadows Community College

**Safety and Training Courses:** <http://tinyurl.com/7m226hq>  
**contact:** [salquist@tmcc.edu](mailto:salquist@tmcc.edu) or (775) 857-4958

**Computer Courses:** <http://tinyurl.com/7jdvrr>  
**Contact:** [wdce@tmcc.edu](mailto:wdce@tmcc.edu) or (775) 829-9010

### TMCC Course Schedule

*\*Please Note: This link is a PDF document. The following pages, categories and phone numbers are listed for your convenience. Some courses may require prerequisites. For information, call (775) 673-7000.*



**Air Conditioning Courses** - pg. D-191

**Architecture** - pg. D-196

**Building Inspection** - pg. D-205

**CADD** - pg. D-209

**Computer & Office Technology** - pg. D-211

**Construction** - pg. D-215

**Electrical Technology** - pg. D-234

## Great Basin College

**Course catalog**                      **General Inquiries Contact** (775) 738-8493

Great Basin College offers several courses of interest to Nevada's contractors:

Computer Aided Drafting & Design

Electrical Theory

Industrial Millwright Technology

Geographic Information Systems

Computer Office Technology

Welding

## Western Nevada College

**Course Schedule:** <http://www.wnc.edu/academics/catalog/all/>

**Courses of interest to contractors include:**

Air Conditioning

Applied Industrial Technology

Building Codes and Inspections

Computer Aided Drafting Design

Construction Management and Trade Courses

Geographic Information Systems

Computer Applications/Internet Courses

Photovoltaic and Alternative Energy Courses

**Contact:** [info\\_desk@wnc.edu](mailto:info_desk@wnc.edu) or (775) 445-3000







# Nevada Contractor's Checklist

The following information is provided to help Nevada Contractors work within the law. For full text of laws that affect contracting in Nevada, see Nevada's *State Contractors Board Handbook*, Chapter 624 of the Nevada Revised Statutes and Chapter 624 of the Nevada Administrative Code. Contact the Nevada State Contractors Board for a copy.

- Include your license number and monetary limit on all contracts & bids. NAC 624.640(5)
- Keep your bond current. NRS 624.270
- Check to ensure that licenses or persons with whom you contract are valid and active. NAC 624.650
- Ensure you're using the business name as referenced and approved by the Board. NRS 624.305
- Do not allow bids or contracts to exceed your monetary limit value (including change orders). NRS 624.3015(2)
- Do not work outside the scope of your license classification. NRS 624.3015(3)
- Maintain all records, documentation, receipts, contracts, etc. for a minimum of three years. NRS 624.3013(1)
- Include the Residential Recovery Fund Disclosure on all residential contracts. NRS 624.520
- Provide customers with required Notice to Owner Disclosure. NRS 624.600(1)(2) and (3) as described in NAC 624.693 & NAC 624.6932
- Make sure your license number is on all business advertisements, including vehicles, business cards, letterhead, signage, directories, newspapers, website, etc. NRS 624.720.
  - Your license number should be approximately 1 1/2 inches on your motor vehicle. NRS 624.288
- If your address or other pertinent information about the business changes, notify the Contractors Board in writing within 30 days. NAC 624.640(3)
- Notify the Board within 10 days if your qualified individual leaves the company. NRS 624.285