

NEW LAW HELPS PROTECT SOLAR CONSUMERS

One of the many blessings of living in Nevada is the Silver State's renowned, abundant sunshine. With an average of approximately 300 sunny days per year, Nevada offers residents the perfect setting for integrating energy-efficient solar power into their daily life. Therefore, it's not surprising there are currently 84 solar companies employing over 7,000 workers across Nevada, according to the Solar Energy Industry Association.

However, along with the increased demand for solar energy, there's also increased opportunities for misleading business practices in the state's residential solar industry.

Informing and Protecting Nevada Consumers

In an effort to protect and inform Nevada residents, the Nevada State Contractors Board (NSCB) is pleased with the efforts of Senator Chris Brooks who spearheaded the public safety initiatives of SB 303, resulting in its approval by Governor Sisolak during the 2021 Legislative Session. The new law aims to enhance consumer protections for all parties engaging in connecting a solar energy system in their home.

Under SB 303, Nevada's residential solar contractors are required to:

- Obtain building permits;
- Comply with the NSCB's contracting statutes and regulations; and
- Meet requirements imposed by the Public Utilities Commission (PUC) or other regulating entity throughout the completion of each project



The new law also requires that any advertising or solicitation for residential solar projects be truthful, or the contractor may find themselves subject to discipline by the NSCB. In addition, down payments are limited to \$1,000 or 10% of the contract value, whichever is less. If a homeowner doesn't agree to financing terms or if the homeowner rescinds the financing per the Truth and Lending Act, the contract for the residential solar project is voidable. In addition to being held accountable by the NSCB, contractors who fail to uphold their new responsibilities under the law

See SOLAR, page 2

SOLAR from page 1

may also be subject to discipline by the Nevada Attorney General's Consumer Affairs Bureau.

Ensuring Future Quality Contracting Work

Over the last five years, the NSCB has received 331 licensed complaints against Nevada solar contractors; in addition, 21 of the 226 contracting licenses revoked during that period were solar contractors. The hope is that the new law created by SB 303 will greatly reduce or eliminate both the number of solar contracting complaints and the need for revocation of solar contracting licenses.

Since 2016, complaints against illegitimate contractors have also resulted in 275 residential fund claims, awarding Nevada homeowners more than \$3 million in damages and refunds. More than 60 percent of those claims (174) were filed against solar contractors, resulting in \$767,000 claims awarded.

Simple Steps to Ensure Reliable Contracting

While SB 303 provides additional consumer protections and public safeguards, there are several simple measures that consumers can take to best ensure they're hiring qualified licensed contractors.

Nevadans should always consider taking the following steps as they search for a licensed contractor to hire:

- Always ask for the contractor's license number; this information should be displayed on all bids and contracts and is different than a Nevada Business License.
- Verify the contractor's license number on the NSCB website (www.nscb.nv.gov), mobile application (NSCB Mobile), or by calling the Board's office (775-688-1141).
- Obtain several bids; having more than one bid will allow you to compare industry costs and make a more informed decision on who to hire.

- Never pay with cash – always check or credit card. Ensure checks are only payable to the licensed company that provided the services, never an individual.

Increased Information, Fewer Consumer Complaints

Having experienced the harm that can be caused to Nevada homeowners who are misled during the course of their solar projects, the NSCB looks forward to seeing the new law driven by Senator Brooks take effect on October 1, 2021.

By standardizing contracting practices within the solar industry and providing greater consumer information, the NSCB believes the requirements of SB 303 will shed even more light on Nevada's burgeoning solar contracting industry and ways to protect the public.

The NSCB encourages consumers to review the resources available on its website, which provide guidance on the new law, contractor requirements, and consumer rights, as well as tips for hiring properly licensed contractors. Should issues arise with work performed, project owners have four years from the date work was performed by a licensed Nevada contractor to file a complaint with the NSCB for investigation and possible remedy of validated issues.

DOWNLOAD THE BOARD'S MOBILE APP!
Search "*NSCB Mobile*"



- Quickly verify a contractor's license.
- Find local contractors using the county and classification search feature.
- Report unlicensed contracting!

HOW TO IDENTIFY HOME REPAIR SCAMS

Below are scenarios of possible red flags to be cautious of, as well as related tips to best protect yourself from becoming victim to unlicensed construction scams.

The most important factor before signing any contractor for construction work to be performed on your home is to verify the company's contractor license on the Board's website: www.nscb.nv.gov --> [License Searches](#) tab.

RED FLAG #1: Company Contact Information on Bid/Contract Doesn't Match License Search Details on the Contractors Board's Website.

- Illegal use of a valid contractor's license can happen, which places consumers in a vulnerable position of thinking they're hiring a licensed contractor, when in fact they aren't.
- **SAFETY TIP:** Always verify the company address and phone number provided to you mirrors what's on the Board's website. If the information is different, call the company using the number on the Board's website and verify the individual you are engaging with is a current employee of the company. It's an easy step that will allow you to move forward confidently knowing you're hiring a licensed contractor, and it will also alert the contractor if their license is being used unlawfully.

RED FLAG #2: Contractor Requests Checks Be Payable to an Individual, Not the Company Hired.

- The Contractors Board licenses construction companies, therefore you should only make checks payable to the licensed company.
- **SAFETY TIP:** Before signing a contract, be clear (preferably in writing) on where and how payments will be made. This will allow you to spot the potential scam before work begins.

RED FLAG #3: Aggressive Sales Tactics

- Any person interested in obtaining your business, should do so in a respectful fashion. Legitimate contractors will respect your right to obtain multiple bids and allow you to research their company before you elect to hire them for a project. Pushy salesmen who won't take no for an answer and become aggressive may be doing so for ulterior motives. Also, be cautious of individuals eager to enter your home, regardless of how friendly their character may be.
- **SAFETY TIP:** Your gut instinct should always guide your actions. Never let someone into your home you don't know or haven't personally invited. If a solicitor approaches your door, speak to them without opening the door until you verify their identity. Always contact your local law enforcement if you feel threatened in any way.

**ALWAYS VERIFY
YOUR CONTRACTOR
HAS AN
ACTIVE LICENSE**



WWW.NSCB.NV.GOV



DON'T BECOME A VICTIM TO HOME REPAIR SCAMS

LEARN HOW TO PROTECT YOURSELF



Common Red Flags

- Door-to-Door Solicitations**
Offers "Today Only" specials
- Verbal Agreements**
Contractor refuses to put project terms into a written contract.
- High Pressure Sales**
Won't take "no" for an answer; aggressive and intimidating communication.
- Cash Only Payments**
Won't accept check or credit; offers "discount" for cash.
- Large Down Payments**
Needs money upfront for materials; demands large amount before any work is performed.



What You Can Do

- Verify the Contractor's License:**
www.nscb.nv.gov
Ensure your contractor has an "Active" license status before signing a contract with them.
- Obtain At Least 3 Bids**
Compare costs & ensure multiple contractors view the scope of work the same.
- Insist on a Written Contract**
Ensure all project details, specific materials, and verbal agreements are documented.
- Pay with Check or Credit**
Always get a receipt and make checks payable to the company you hired. Never pay with cash.



Other Safety Precautions

- Protect Your Identity**
Never carry your social security card or Medicare card in your wallet.
- Be Cautious of Phone Scams**
Do not provide personal information or credit card details to someone over the phone.
- Have Unique Passwords**
Use different passwords and user-names for various accounts
- Check Accuracy of Documents**
Review your credit reports, financial documents, medical statements and billings regularly to ensure the information is correct.



HAVE A QUESTION? WE'RE READY TO ASSIST YOU!

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