

NEVADA STATE CONTRACTORS BOARD HANDBOOK 2020

CHAPTER 624 OF NEVADA REVISED STATUTUES

and

CHAPTER 624 OF
NEVADA ADMINISTRATIVE CODE

[NRS-624 Revised Date: 3-2020]

NRS 624.200

CHAPTER 624 - CONTRACTORS

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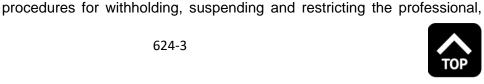
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GENERAL PROVISIONS

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(Added to NRS by 1989, 526)

NRS 624.006 Definitions. As used in this chapter, unless the context otherwise requires, the words and terms defined in <u>NRS 624.010</u> to <u>624.029</u>, inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by 2003, 1896, 2139; A 2005, 1223)

NRS 624.010 "Board" defined. "Board" means the State Contractors' Board. (Added to NRS by 2003, 1899, 2140)

NRS 624.015 "Construction control" defined. "Construction control" has the meaning ascribed to it in NRS 627.050.

(Added to NRS by 2003, 1897)

NRS 624.020 "Contractor" synonymous with "builder"; "contractor" defined.

- 1. "Contractor" is synonymous with "builder."
- 2. A contractor is any person, except a registered architect or a licensed professional engineer, acting solely in a professional capacity, who in any capacity other than as the employee of another with wages as the sole compensation, undertakes to, offers to undertake to, purports to have the capacity to undertake to, or submits a bid to, or does himself or herself or by or through others, construct, alter, repair, add to, subtract from, improve, move, wreck or demolish any building, highway, road, railroad, excavation or other structure, project, development or improvement, or to do any part thereof, including the erection of scaffolding or other structures or works in connection therewith. Evidence of the securing of any permit from a governmental agency or the employment of any person on a construction project must be accepted by the Board or any court of this State as prima facie evidence that the person securing that permit or employing any person on a construction project is acting in the capacity of a contractor pursuant to the provisions of this chapter.
- 3. A contractor includes a subcontractor or specialty contractor, but does not include anyone who merely furnishes materials or supplies without fabricating them into, or consuming them in the performance of, the work of a contractor.
- 4. A contractor includes a construction manager who performs management and counseling services on a construction project for a professional fee.
- 5. A contractor does not include an owner of a planned unit development who enters into one or more oral or written agreements with one or more general building contractors or general engineering contractors to construct a work of improvement in the planned unit development if the general building contractors or general engineering contractors are licensed pursuant to this chapter and contract with the owner of the planned unit development to construct the entire work of improvement.

[2:Art. II:186:1941; A <u>1955, 378</u>] + [3:Art. II:186:1941; 1931 NCL § 1474.11] — (NRS A <u>1975,</u> 831; 1977, 319; 1997, 1037; 2001, 1621; 2003, 1899, 2140; 2005, 1223)



NRS 624.024 "Knowingly" defined. "Knowingly" imports a knowledge that the facts exist which constitute the act or omission, and does not require knowledge of the prohibition against the act or omission. Knowledge of any particular fact may be inferred from the knowledge of such other facts as should put an ordinarily prudent person upon inquiry.

(Added to NRS by 2003, 2139)

NRS 624.027 "Planned unit development" defined. "Planned unit development" has the meaning ascribed to it in NRS 278A.065.

(Added to NRS by 2005, 1223)

NRS 624.029 "Work of improvement" defined. "Work of improvement" has the meaning ascribed to it in NRS 108.22188.

(Added to NRS by 2005, 1223, 1721)

NRS 624.031 Applicability of chapter: Exemptions. The provisions of this chapter do not apply to:

- 1. Work performed exclusively by an authorized representative of the United States Government, the State of Nevada, or an incorporated city, county, irrigation district, reclamation district, or other municipal or political corporation or subdivision of this State.
- 2. Any entity that is recognized as exempt under section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), which:
- (a) Enters into a contract or other agreement with the State of Nevada, or an incorporated city, county, irrigation district, reclamation district, or other municipal or political corporation or subdivision of this State, to facilitate the repair or maintenance of properties, including, without limitation, weatherization and energy efficiency services;
- (b) Facilitates work to be performed on such a property by a person licensed pursuant to this chapter; and
- (c) Is a party with the owner of such a property and a person licensed pursuant to this chapter to a contract or agreement for the work on the property.
 - 3. An officer of a court when acting within the scope of his or her office.
- 4. Work performed exclusively by a public utility operating pursuant to the regulations of the Public Utilities Commission of Nevada on construction, maintenance and development work incidental to its business.
- 5. An owner of property who is building or improving a residential structure on the property for his or her own occupancy and not intended for sale or lease. The sale or lease, or the offering for sale or lease, of the newly built structure within 1 year after its completion creates a rebuttable presumption for the purposes of this section that the building of the structure was performed with the intent to sell or lease that structure. An owner of property who requests an exemption pursuant to this subsection must apply to the Board for the exemption. The Board shall adopt regulations setting forth the requirements for granting the exemption.
- 6. Any work to repair or maintain property the value of which is less than \$1,000, including labor and materials, unless:
 - (a) A building permit is required to perform the work;
- (b) The work is of a type performed by a plumbing, electrical, refrigeration, heating or air-conditioning contractor;
- (c) The work is of a type performed by a contractor licensed in a classification prescribed by the Board that significantly affects the health, safety and welfare of members of the general public;
 - (d) The work is performed as a part of a larger project:
 - (1) The value of which is \$500 or more: or
- (2) For which contracts of less than \$500 have been awarded to evade the provisions of this chapter; or



- (e) The work is performed by a person who is licensed pursuant to this chapter or by an employee of that person.
- 7. The sale or installation of any finished product, material or article of merchandise which is not fabricated into and does not become a permanent fixed part of the structure.
 - 8. The construction, alteration, improvement or repair of personal property.
- 9. The construction, alteration, improvement or repair financed in whole or in part by the Federal Government and conducted within the limits and boundaries of a site or reservation, the title of which rests in the Federal Government.
- 10. An owner of property, the primary use of which is as an agricultural or farming enterprise, building or improving a structure on the property for his or her use or occupancy and not intended for sale or lease.
- 11. Construction oversight services provided to a long-term recovery group by a qualified person within a particular geographic area that is described in a proclamation of a state of emergency or declaration of disaster by the State or Federal Government, including, without limitation, pursuant to NRS 414.070. A long-term recovery group may reimburse such reasonable expenses as the qualified person incurs in providing construction oversight services to that group. Except as otherwise provided in this subsection, nothing in this subsection authorizes a person who is not a licensed contractor to perform the acts described in paragraphs (a) and (b) of subsection 1 of NRS 624.700. As used in this subsection:
- (a) "Construction oversight services" means the coordination and oversight of labor by volunteers.
- (b) "Long-term recovery group" means a formal group of volunteers coordinating response and recovery efforts related to a state of emergency or disaster that is proclaimed or declared by the State or Federal Government.
- (c) "Qualified person" means a person who possesses the abilities, education, experience, knowledge, skills and training that a long-term recovery group has identified as being necessary to provide construction oversight services for a project to be performed by that group.
- 12. A person licensed as a real estate broker, real estate broker-salesperson or real estate salesperson pursuant to chapter 645 of NRS who, acting within the scope of the license or a permit to engage in property management issued pursuant to NRS 645.6052, assists a client in scheduling work to repair or maintain residential property pursuant to a written brokerage agreement or a property management agreement. Such assistance includes, without limitation, assisting a client in the hiring of any number of licensed contractors to perform the work. Nothing in this subsection authorizes the performance of any work for which a license is required pursuant to this chapter by a person who is not licensed pursuant to this chapter or the payment of any additional compensation to a person licensed as a real estate broker, real estate broker-salesperson or real estate salesperson for assisting a client in scheduling the work. The provisions of this subsection apply only if a building permit is not required to perform the work and if the value of the work does not exceed \$10,000 per residential property during the fixed term of the written brokerage agreement, if the assistance is provided pursuant to such an agreement, or during a period not to exceed 6 months if the assistance is provided pursuant to a property management agreement. As used in this subsection:
 - (a) "Brokerage agreement" has the meaning ascribed to it in NRS 645.005.
 - (b) "Property management agreement" has the meaning ascribed to it in NRS 645.0192.
 - (c) "Real estate broker" has the meaning ascribed to it in NRS 645.030.
 - (d) "Real estate broker-salesperson" has the meaning ascribed to it in NRS 645.035.
 - (e) "Real estate salesperson" has the meaning ascribed to it in NRS 645.040.
 - (f) "Residential property" means:
 - (1) Improved real estate that consists of not more than four residential units; or



(2) A single-family residential unit, including a condominium, townhouse or home within a subdivision, if the unit is sold, leased or otherwise conveyed unit by unit, regardless of whether the unit is part of a larger building or parcel that consists of more than four units.

[1:Art. III:186:1941; A <u>1951, 47</u>] + [2:Art. III:186:1941; 1943 NCL § 1474.14] + [3:Art. III:186:1941; A <u>1951, 47</u>] + [4:Art. III:186:1941; A <u>1947, 307; 1951, 47</u>] + [5:Art. III:186:1941; 1931 NCL § 1474.17] + [6:Art. III:186:1941; 1931 NCL § 1474.18] + [7:Art. III:186:1941; A <u>1951, 47</u>] + [9:Art. III:186:1941; A <u>1947, 307; 1943 NCL § 1474.21] — (NRS A <u>1975, 1167; 1987, 1730; 1989, 1629; 1997, 2019, 3162; 2001, 2409; 2007, 855; 2009, 763; 2013, 578; 2017, 3963)</u></u>

NRS 624.033 Applicability of chapter: Contract pertaining to federal aid. If any provision or condition contained in this chapter conflicts with any provision of federal law, or a rule or regulation made under federal law pertaining to federal aid contracts, such provision in conflict with the federal law, rule or regulation does not apply on federal aid contracts to the extent such conflict exists, but all provisions of this chapter with which there is no such conflict do apply to federal aid contracts.

[1:Art. VIII:186:1941; 1931 NCL § 1474.33] — (NRS A 1969, 940)

NRS 624.035 County or municipality may impose additional requirements for contractor's license. The provisions of this chapter shall not be construed to prevent the governing body of any county or incorporated city requiring an additional contractor's license within such political subdivision issued subject to the applicant meeting such additional standards as are reasonable and necessary for the protection of the public in the political subdivision.

[5:Art. VIII:186:1941; added 1955, 378]

STATE CONTRACTORS' BOARD

NRS 624.040 Creation; number and appointment of members. There is hereby created the State Contractors' Board to consist of seven members to be appointed by the Governor.

[Part 1:Art. I:186:1941; 1931 NCL § 1474.01]

NRS 624.050 Qualifications of members.

- 1. Six members of the Board must each:
- (a) At the time of appointment, hold an unexpired license to operate as a contractor.
- (b) Be a contractor actively engaged in the contracting business and must have been so engaged for not less than 5 years preceding the date of his or her appointment.
- (c) Have been a citizen and resident of the State of Nevada for at least 5 years next preceding his or her appointment.
- 2. One member of the Board must be a representative of the general public. This member must not be:
 - (a) A licensed contractor; or
 - (b) The spouse or the parent or child, by blood, marriage or adoption, of a licensed contractor. [2:Art. I:186:1941; 1931 NCL § 1474.02] (NRS A 1985, 47; 2003, 1188)

NRS 624.070 Certificate of appointment; oath of office. Each member of the Board shall:

- 1. Receive a certificate of appointment from the Governor.
- 2. Before entering upon the discharge of the duties of his or her office, take the constitutional oath of office.

[4:Art. I:186:1941; 1931 NCL § 1474.04]

NRS 624.080 Regular and special meetings; notice.

1. The Board shall hold such meetings as may be necessary for the purpose of transacting its business.



- 2. Four members of the Board may call a special meeting at any time.
- 3. Due notice of each meeting and of the time and place thereof shall be given each member in the manner provided by the bylaws.

[Part 5:Art. I:186:1941; 1931 NCL § 1474.05]

NRS 624.090 Quorum. Four members of the Board shall constitute a quorum. [Part 5:Art. I:186:1941; 1931 NCL § 1474.05]

NRS 624.100 Appointment of committees; adoption of bylaws, rules of procedure and regulations; advisory committees.

- 1. The Board may appoint such committees and make such reasonable bylaws, rules of procedure and regulations as are necessary to carry out the provisions of this chapter.
- 2. The Board may establish advisory committees composed of its members or employees, homeowners, contractors or other qualified persons to provide assistance with respect to fraud in construction, or in any other area that the Board considers necessary.
 - 3. If an advisory committee is established, the Board shall:
- (a) Select five members for the committee from a list of volunteers approved by the Board; and
 - (b) Adopt rules of procedure for informal conferences of the committee.
 - 4. If an advisory committee is established, the members:
 - (a) Serve at the pleasure of the Board.
- (b) Serve without compensation, but must be reimbursed for travel expenses necessarily incurred in the performance of their duties. The rate must not exceed the rate provided for state officers and employees generally.
- (c) Shall provide a written summary report to the Board, within 15 days after the final informal conference of the committee, that includes recommendations with respect to actions that are necessary to reduce and prevent the occurrence of fraud in construction, or on such other issues as requested by the Board.
 - 5. The Board is not bound by any recommendation made by an advisory committee. [Part 5:Art. I:186:1941; 1931 NCL § 1474.05] (NRS A 1997, 2687; 2011, 322; 2015, 2004)

NRS 624.105 Designation of Ombudsman for Residential Pools and Spas; duties.

- 1. The Board shall designate an employee as Ombudsman for Residential Pools and Spas.
- 2. The Ombudsman for Residential Pools and Spas shall:
- (a) Assist owners of single-family residences and contractors to understand their rights and responsibilities as set forth in <u>NRS 624.900</u> to <u>624.965</u>, inclusive, and any regulations adopted pursuant thereto.
- (b) Notify the Board if it appears that any person has engaged in any act or practice that constitutes a violation of any of the provisions of this chapter or any regulations adopted pursuant thereto.

(Added to NRS by 2001, 2980)

NRS 624.110 Offices; maintenance, inspection and confidentiality of records and reports.

- 1. The Board may maintain offices in as many localities in the State as it finds necessary to carry out the provisions of this chapter, but it shall maintain one office in which there must be at all times open to public inspection a complete record of applications, licenses issued, licenses renewed and all revocations, cancellations and suspensions of licenses.
- 2. Except as otherwise required in <u>NRS 239.0115</u> and <u>624.327</u>, credit reports, references, financial information and data pertaining to a licensee's net worth are confidential and not open to public inspection.

[1:Art. V:186:1941; 1931 NCL § 1474.27] — (NRS A <u>1963, 145; 1967, 1592; 1987, 1138; 2003, 1899, 3422; 2007, 2131</u>)



NRS 624.112 Investigations Office: Establishment; qualifications of investigators.

- 1. The Board shall:
- (a) Establish an Investigations Office to enforce the provisions of this chapter. The Investigations Office must consist of criminal investigators and compliance investigators.
- (b) Adopt regulations setting forth the qualifications required for investigators employed to carry out this section.
- 2. As used in this section, "criminal investigator" means a person authorized to perform the duties set forth in subsection 2 of NRS 624.115.

(Added to NRS by 1999, 2950; A 2007, 856)

NRS 624.115 Employment of necessary personnel; authority of Board concerning criminal investigators and compliance investigators employed by Board.

- 1. The Board may employ attorneys, investigators and other professional consultants and clerical personnel necessary to the discharge of its duties.
- 2. The Board may require criminal investigators who are employed by the Board pursuant to NRS 624.112 to:
 - (a) Conduct a background investigation of:
 - (1) A licensee or an applicant for a contractor's license; or
 - (2) An applicant for employment with the Board;
 - (b) Locate and identify persons who:
- (1) Engage in the business or act in the capacity of a contractor within this State in violation of the provisions of this chapter;
- (2) Submit bids on jobs situated within this State in violation of the provisions of this chapter; or
- (3) Otherwise violate the provisions of this chapter or the regulations adopted pursuant to this chapter;
 - (c) Investigate any alleged occurrence of constructional fraud; and
- (d) Issue a misdemeanor citation prepared manually or electronically pursuant to <u>NRS</u> <u>171.1773</u> to a person who violates a provision of this chapter that is punishable as a misdemeanor. A criminal investigator may request any constable, sheriff or other peace officer to assist in the issuance of such a citation.
- 3. The Board may require compliance investigators who are employed by the Board pursuant to NRS 624.112 to locate and identify persons who:
- (a) Engage in the business or act in the capacity of a contractor within this State in violation of the provisions of this chapter;
- (b) Submit bids on jobs situated within this State in violation of the provisions of this chapter; or
- (c) Otherwise violate the provisions of this chapter or the regulations adopted pursuant thereto.

(Added to NRS by 1963, 145; A 1995, 926; 1999, 2954; 2001, 213; 2003, 1899; 2007, 856)

NRS 624.120 Seal. The Board shall adopt a seal for its own use. The seal must have imprinted thereon the words "State Contractors' Board, State of Nevada." The Executive Officer has the care and custody of the seal. A person shall not use, copy or reproduce the seal in any way not authorized by this chapter or the regulations of the Board.

[7:Art. I:186:1941; 1931 NCL § 1474.07] — (NRS A 1985, 1052; 1999, 2178)

NRS 624.135 Fiscal year. The Board shall operate on the basis of a fiscal year commencing on July 1 and terminating on June 30.

(Added to NRS by 1963, 145)



NRS 624.140 Use of money received by Board; delegation of authority concerning disciplinary action; deposit of certain money into Construction Education Account.

- 1. Except as otherwise provided in subsection 3, if money becomes available from the operations of this chapter and payments made for licenses, the Board may pay from that money:
 - (a) The expenses of the operations of this chapter, including the maintenance of offices.
 - (b) The salary of the Executive Officer who must be named by the Board.
- (c) A salary to each member of the Board of not more than \$150 per day, as fixed by the Board, while engaged in the business of the Board.
- (d) A per diem allowance and travel expenses for each member and employee of the Board, at a rate fixed by the Board, while engaged in the business of the Board. The rate must not exceed the rate provided for state officers and employees generally.
- 2. The Board may delegate to a hearing officer or panel its authority to take any disciplinary action pursuant to this chapter, impose and collect fines therefor and deposit the money therefrom in banks, credit unions, savings and loan associations or savings banks in this State.
- 3. Except as otherwise provided in <u>NRS 624.520</u>, if a hearing officer or panel is not authorized to take disciplinary action pursuant to subsection 2, the Board shall deposit any money collected from the imposition of fines with the State Treasurer for credit to the Construction Education Account created pursuant to <u>NRS 624.580</u>.

[2:Art. V:186:1941; 1931 NCL § 1474.28] — (NRS A <u>1963, 146</u>; <u>1975, 302</u>; <u>1981, 1991</u>; <u>1985, 1052</u>; <u>1989, 1694</u>; <u>1993, 883</u>; <u>1999, 1528</u>; <u>2001, 2411</u>; <u>2007, 2941</u>)

NRS 624.150 Election and duties of Treasurer; disposition of money.

- 1. The Board shall elect one of its members as Treasurer.
- 2. All money received by the Board shall be turned over to the Treasurer who shall keep books of account and who is authorized to deposit the money in banks, credit unions, savings and loan associations or savings banks in the State of Nevada, and to expend money necessary for the operation of the Board under the terms of this chapter when the expenses have been approved by the Board.
- 3. All balances at any time in the possession of the Treasurer shall be subject to legislative disposition.

[3:Art. V:186:1941; 1931 NCL § 1474.29] — (NRS A 1963, 146; 1999, 1529)

NRS 624.160 Administration of chapter; provision of information to public concerning contractors and contracting; advisory opinions; investigation of persons acting as contractors.

- 1. The Board is vested with all of the functions and duties relating to the administration of this chapter.
 - 2. The Board shall:
 - (a) Carry out a program of education for customers of contractors.
- (b) Maintain and make known a telephone number for the public to obtain information about self-protection from fraud in construction and other information concerning contractors and contracting.
- (c) Collect and maintain records, reports and compilations of statistical data concerning investigations and complaints.
- 3. The Board may provide advisory opinions and take other actions that are necessary for the effective administration of this chapter and the regulations of the Board.
- 4. The Board may, on its own motion, and shall, upon receipt of a written complaint or upon receipt of information from a governmental agency, investigate the actions of any person acting in the capacity of a contractor, with or without a license.

[Part 5:Art. I:186:1941; 1931 NCL § 1474.05] — (NRS A 1997, 2687; 2007, 857)

NRS 624.165 Investigation of constructional fraud.



- 1. The Board shall:
- (a) Designate one or more of its employees for the investigation of constructional fraud;
- (b) Cooperate with other local, state or federal investigative and law enforcement agencies, and the Attorney General;
- (c) Assist the Attorney General or any official of an investigative or a law enforcement agency of this State, any other state or the Federal Government who requests assistance in investigating any act of constructional fraud; and
- (d) Furnish to those officials any information concerning its investigation or report on any act of constructional fraud.
- 2. The Board may obtain records of a law enforcement agency or any other agency that maintains records of criminal history, including, without limitation, records of:
 - (a) Arrests;
 - (b) Guilty and guilty but mentally ill pleas;
 - (c) Sentencing;
 - (d) Probation;
 - (e) Parole;
 - (f) Bail;
 - (g) Complaints; and
 - (h) Final dispositions,
- → for the investigation of constructional fraud.
- 3. For the purposes of this section, constructional fraud occurs if a person engaged in construction knowingly:
 - (a) Misapplies money under the circumstances described in NRS 205.310;
 - (b) Obtains money, property or labor by false pretense as described in NRS 205.380:
- (c) Receives payments and fails to state his or her own true name, or states a false name, contractor's license number, address or telephone number of the person offering a service;
- (d) Diverts money or commits any act of theft, forgery, fraud or embezzlement, in connection with a construction project, that violates a criminal statute of this State;
 - (e) Acts as a contractor without:
 - (1) Possessing a contractor's license issued pursuant to this chapter; or
- (2) Possessing any other license required by this State or a political subdivision of this State:
- (f) In any report relating to a contract for a public work, submits false information concerning a payroll to a public officer or agency; or
 - (g) Otherwise fails to disclose a material fact.
 - (Added to NRS by 1997, 2686; A 1999, 2954; 2003, 1900, 2140; 2007, 1469)

NRS 624.170 Administration of oaths; taking of testimony and proofs; issuance of subpoenas.

- 1. Any member of the Board or the Executive Officer may take testimony and proofs concerning all matters within the jurisdiction of the Board.
 - 2. The Board or any member thereof, or the Executive Officer, may:
 - (a) Administer oaths.
 - (b) Certify to all official acts.
- (c) Issue subpoenas for the attendance of witnesses and the production of records, books and papers in connection with any hearing, investigation or other proceeding of the Board.
- [Part 6:Art. I:186:1941; A <u>1943, 83</u>; <u>1955, 378</u>] (NRS A <u>1985, 1052</u>; <u>1987, 1046</u>; <u>1999,</u> 2955)

NRS 624.180 Service of process.



- 1. Any process issued by the Board or the Executive Officer may extend to all parts of the State and may be served by an investigator for the Board or any person authorized to serve process of courts of record.
- 2. The Board may compensate any person serving the process who is not an investigator for the Board, but not more than the fees prescribed by law for similar service. The fees must be paid in the same manner as other expenses of the Board are paid.

[Part 6:Art. I:186:1941; A 1943, 83; 1955, 378] — (NRS A 1985, 1055; 1987, 1046)

NRS 624.190 Action by district court to compel attendance of witness or production of records, books or papers.

- 1. The district court in and for the county in which any hearing, investigation or other proceeding is held by the Board may compel the attendance of witnesses, the giving of testimony and the production of records, books and papers as required by any subpoena issued by the Board or the Executive Officer.
- 2. In case of the refusal of any witness to attend or testify or produce any items required by the subpoena, the Board may report to the district court in and for the county in which the hearing, investigation or other proceeding will be held by petition, setting forth that:
- (a) Due notice has been given of the time and place of attendance of the witness or the production of the records, books or papers;
 - (b) The witness has been subpoenaed in the manner prescribed in this chapter; and
- (c) The witness has failed and refused to attend or produce the items required by subpoena before the Board in the cause or proceeding named in the subpoena, or has refused to answer questions propounded to him or her in the course of the hearing, investigation or other proceeding, → and ask an order of the court compelling the witness to attend and testify or produce the records, books or papers before the Board.
- 3. The court, upon petition of the Board, shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in the order, the time to be not more than 10 days after the date of the order, and then and there show cause why the witness has not attended or testified or produced the records, books or papers before the Board. A certified copy of the order must be served upon the witness.
- 4. If it appears to the court that the subpoena was regularly issued by the Board or the Executive Officer, the court shall thereupon enter an order that the witness appear before the Board at the time and place fixed in the order and testify or produce the required records, books or papers. Upon failure to obey the order, the witness must be dealt with as for contempt of court.

[Part 6:Art. I:186:1941; A 1943, 83; 1955, 378] — (NRS A 1987, 1046; 1999, 2955)

NRS 624.200 Deposition of witness. The Board may in any hearing, investigation or other proceeding before it cause the depositions of witnesses residing within or without the State to be taken in the manner prescribed by the Nevada Rules of Civil Procedure for like depositions in civil actions in the district courts of this State, and to that end may compel the attendance of witnesses and the production of records, books and papers.

[Part 6:Art. I:186:1941; A 1943, 83; 1955, 378] — (NRS A 1987, 1047; 1999, 2956)

NRS 624.210 Right of party to compel attendance of witness or taking of deposition. Any party to any hearing, investigation or other proceeding before the Board has the right to the attendance of witnesses in his or her behalf at the hearing, investigation or other proceeding or upon deposition as set forth in this chapter upon making a request therefor to the Board and designating the person sought to be subpoenaed.

[Part 6:Art. I:186:1941; A 1943, 83; 1955, 378] — (NRS A 1987, 1047; 1999, 2956)

NRS 624.212 Cease and desist order for unlicensed activity: Issuance; service; actions that Board is authorized or required to take regarding compliance or noncompliance with order;



petition to lift or alter order; authority of Board to consider order when considering application for license; fine imposed by court for violation of order.

- 1. The Executive Officer, on behalf of the Board, shall issue an order to cease and desist to any person:
 - (a) Acting as a contractor, including, without limitation, commencing work as a contractor; or
 - (b) Submitting a bid on a job situated in this State,
- without a valid license issued pursuant to this chapter. The order must be served personally or by certified mail and is effective upon receipt. For the purposes of this section, a person shall be deemed to have a valid license if the person has an active license and is performing work in conformity with the requirements of subsection 4 of NRS 624.220.
- 2. After confirming that the cease and desist order has been received by the person to whom it was issued, the Board shall return to the job site or take any other action required to confirm that the terms of the cease and desist order have been complied with. The person to whom the cease and desist order was issued may, while in the course of stopping work on the job, take any necessary action within 48 hours after receiving the cease and desist order to protect the public, the project, any other contractors, laborers and equipment on the site and to limit the loss of any perishable goods.
- 3. If the Board determines that any term of a cease and desist order has not been complied with and no exception applies:
- (a) The person to whom the cease and desist order was issued shall be deemed noncompliant with the cease and desist order and the person may not complete the project, except for taking any necessary action to protect the public, the project, any other contractors, laborers and equipment and to limit the loss of any perishable goods.
- (b) Except as otherwise provided in paragraph (c), for a first violation, the Board shall issue a written administrative citation pursuant to NRS 624.341, which may include any reasonable investigatory fees and costs, conditioned upon the submission by the person of a bona fide application for the issuance of a license pursuant to this chapter within a reasonable period established by the Board.
- (c) For a second or subsequent violation, or for any first violation for which the reasonable value of the unlicensed work exceeds \$50,000, the Board shall:
- (1) Report the violation of the cease and desist order to the appropriate district attorney for possible criminal prosecution pursuant to NRS 624.700; and
 - (2) Provide any reasonable assistance in the prosecution.
- (d) The Board may apply for injunctive relief pursuant to the Nevada Rules of Civil Procedure to enjoin the person to whom the cease and desist order was issued from continuing to violate the cease and desist order in any county in which the person may be found. If such an action is filed, irreparable injury is presumed and the likelihood of success on the merits may be established by a showing that, on the date the cease and desist order was issued, the person did not hold a valid license issued pursuant to this chapter and had bid for or undertaken work for which such a license is required.
- 4. If the Board determines that the person to whom the cease and desist order was issued has complied with the order, the Board:
- (a) Shall issue an administrative citation pursuant to <u>NRS 624.341</u> and impose an administrative fine against the person in accordance with <u>NRS 624.710</u>, in addition to any reasonable investigatory fees and costs; and
- (b) May require the person to submit a bona fide application for the issuance of a license pursuant to this chapter within a reasonable period established by the Board.
 - 5. When assessing an administrative fine pursuant to this section, the Board may:
- (a) Require the person to whom the cease and desist order was issued to remedy any loss or damage caused by the unlicensed activity for which the order was issued, including, without limitation, the disgorgement of any amount of money collected from the owner of the project that



was not for material delivered to the job site and that has not been damaged or altered by the person:

- (b) Reduce or stay any administrative fine imposed pursuant to subsection 4 pending completion by the person of a program of training or an examination required by the Board; or
- (c) Reduce or stay any administrative fine imposed pursuant to subsection 4 if the person obtains a valid license issued pursuant to this chapter.
- 6. When imposing an administrative fine pursuant to this section, the Board shall impose the maximum administrative fine established pursuant to this chapter for the unlicensed activity if more than one of the following circumstances exist:
- (a) The person has previously committed the same or a similar violation as the violation for which the administrative fine is imposed:
 - (b) The unlicensed activity involves more than one trade or craft;
 - (c) The unlicensed activity resulted in harm to any person or property;
- (d) The unlicensed activity involved an elderly person or a person with a diagnosed physical or mental disability; or
 - (e) The unlicensed activity was for a project having a contract value in excess of \$50,000.
- 7. Within 15 business days after receiving a cease and desist order, the person against whom the order was issued may petition the Board in writing to lift or alter the order. The petition may assert:
 - (a) As an absolute defense:
 - (1) Licensure of the person pursuant to this chapter;
 - (2) Any applicable exception to licensure set forth in NRS 624.031; or
 - (3) Misidentification of the person.
 - (b) As a partial defense:
 - (1) Overbreadth of any term of the cease and desist order;
 - (2) Vagueness or ambiguity of any term of the cease and desist order;
- (3) Consideration of any necessary action taken by the person to protect the public, the project, any other contractors, laborers and any equipment on the job site and to limit any loss of perishable goods; or
 - (4) Any other defect in the terms of the cease and desist order.
 - 8. After considering any assertion made in a petition pursuant to:
- (a) Paragraph (a) of subsection 7, the Board shall, if facts are established to the satisfaction of the Board to support the absolute defense asserted in the petition, vacate the cease and desist order or any portion thereof.
- (b) Paragraph (b) of subsection 7, the Board shall, if facts are established to the satisfaction of the Board to support the partial defense asserted in the petition, reasonably clarify any terms of the cease and desist order requested by the petitioner.
- 9. When considering an application for the issuance of a license pursuant to this chapter, the Board may consider:
 - (a) Any cease and desist order issued against the applicant;
 - (b) Compliance by the applicant with any cease and desist order issued against him or her:
- (c) Any criminal conviction of the applicant for failure to comply with any cease and desist order; or
- (d) The payment by the applicant of any criminal or administrative fine and any administrative fee or cost imposed against the applicant.
- 10. If the court finds that a person violated an order issued pursuant to subsection 1 without an established absolute defense set forth in paragraph (a) of subsection 7, it shall impose a fine of not less than \$250 nor more than \$1,000 for each violation of the order.

(Added to NRS by <u>1975</u>, <u>1160</u>; A <u>1983</u>, <u>311</u>, <u>509</u>; <u>1987</u>, <u>1047</u>, <u>1138</u>; <u>1995</u>, <u>926</u>; <u>2003</u>, <u>2141</u>; <u>2019</u>, <u>154</u>, <u>1606</u>)



CLASSIFICATIONS

NRS 624.215 Contracting business.

- 1. For the purpose of classification, the contracting business includes the following branches:
 - (a) General engineering contracting.
 - (b) General building contracting.
 - (c) Specialty contracting.
- General engineering contracting and general building contracting are mutually exclusive branches.
- 2. A general engineering contractor is a contractor whose principal contracting business is in connection with fixed works, including irrigation, drainage, water supply, water power, flood control, harbors, railroads, highways, tunnels, airports and airways, sewers and sewage disposal systems, bridges, inland waterways, pipelines for transmission of petroleum and other liquid or gaseous substances, refineries, chemical plants and industrial plants requiring a specialized engineering knowledge and skill, power plants, piers and foundations and structures or work incidental thereto.
- 3. Except as otherwise provided in subsections 5 and 6, a general building contractor is a contractor whose principal contracting business is in connection with the construction or remodeling of buildings or structures for the support, shelter and enclosure of persons, animals, chattels or movable property of any kind, requiring in their construction the use of more than two unrelated building trades or crafts, upon which he or she is a prime contractor and where the construction or remodeling of a building is the primary purpose. Unless he or she holds the appropriate specialty license, a general building contractor may only contract to perform specialty contracting if he or she is a prime contractor on a project. Except as otherwise provided in subsection 4 of NRS 624.220, a general building contractor shall not perform specialty contracting in plumbing, electrical, refrigeration and air-conditioning or fire protection without a license for the specialty. A person who is licensed pursuant to chapter 489 of NRS and who exclusively constructs or repairs mobile homes, manufactured homes or commercial coaches is not a general building contractor.
- 4. A specialty contractor is a contractor whose operations as such are the performance of construction work requiring special skill and whose principal contracting business involves the use of specialized building trades or crafts.
- 5. A general engineering contractor, when acting as a prime contractor, may hire not more than one general building contractor to provide any work, materials or equipment as specified in subsection 3 on a single construction project.
- 6. A general building contractor may contract to provide management and counseling services on a construction project for a professional fee. A general building contractor who has contracted to provide management and counseling services may hire not more than one general building contractor to provide any work, materials or equipment as specified in subsection 3 on a single construction project.
- 7. A single construction project must be limited to not more than one general building contractor who provides management and counseling services for a professional fee and not more than one general building contractor who provides any work, materials or equipment as specified in subsection 3.
- 8. Except as otherwise provided in this subsection, each construction project must have one, but not more than one, prime contractor who is a licensed contractor and is responsible for the work, materials and equipment for the construction project. A construction project is not required to have a prime contractor if the work for the construction project or the person providing the work for the construction project is exempt pursuant to <u>NRS 624.031</u>.



- 9. This section does not prevent the Board from establishing, broadening, limiting or otherwise effectuating classifications in a manner consistent with established custom, usage and procedure found in the building trades. The Board is specifically prohibited from establishing classifications in such a manner as to determine or limit craft jurisdictions.
 - 10. As used in this section, "prime contractor" means:
- (a) A general engineering contractor who enters into an oral or written agreement with an owner of a construction project or an agent of an owner to provide any work, materials or equipment for which the general engineering contractor is licensed;
- (b) A general building contractor who enters into an oral or written agreement with an owner of a construction project or an agent of an owner to provide any work, materials or equipment for which the general building contractor is licensed:
- (c) A general engineering contractor and general building contractor who enter into an oral or written agreement with an owner of a construction project or an agent of an owner to provide any work, materials or equipment for which the general engineering contractor and general building contractor are licensed; or
- (d) A specialty contractor who enters into an oral or written agreement with an owner of a construction project or an agent of an owner to provide:
 - (1) Any work, materials or equipment for which the specialty contractor is licensed; and
 - (2) Any other work which is incidental and supplemental thereto.

(Added to NRS by <u>1967</u>, <u>1594</u>; A <u>1971</u>, <u>600</u>; <u>1983</u>, <u>311</u>; <u>1997</u>, <u>212</u>, <u>2687</u>; <u>2019</u>, <u>158</u>, <u>1607</u>, <u>1612</u>)

NRS 624.218 Classification for persons who construct or improve video service networks; regulations.

- 1. The Board shall adopt by regulation a classification of licensing for persons who construct or improve video service networks. Except as otherwise provided in subsection 2, a person who engages in such construction, alteration or improvement must be licensed in this classification and may not be required to be licensed in any other classification.
- 2. The licensing requirements adopted pursuant to subsection 1 do not apply to a person who is engaged solely in the alteration or repair of antennae used by a community antenna television system.
- 3. As used in this section, "video service network" has the meaning ascribed to it in NRS 711.145.

(Added to NRS by <u>1989, 1997</u>; A <u>2007, 1401</u>)

NRS 624.220 Contractors; monetary limit on license; regulations.

- 1. The Board shall adopt regulations necessary to effect the classification and subclassification of contractors in a manner consistent with established usage and procedure as found in the construction business, and may limit the field and scope of the operations of a licensed contractor to those in which the contractor is classified and qualified to engage as defined by NRS 624.215 and the regulations of the Board.
- 2. The Board shall limit the field and scope of the operations of a licensed contractor by establishing a monetary limit on a contractor's license, and the limit must be the maximum contract a licensed contractor may undertake on one or more construction contracts on a single construction site or subdivision site for a single client. The Board may take any other action designed to limit the field and scope of the operations of a contractor as may be necessary to protect the health, safety and general welfare of the public. The limit must be determined after consideration of the factors set forth in NRS 624.260 to 624.265, inclusive.
- 3. A licensed contractor may request that the Board increase the monetary limit on his or her license, either on a permanent basis or for a single construction project. A request submitted to the Board pursuant to this subsection must be in writing on a form prescribed by the Board and



accompanied by such supporting documentation as the Board may require. A request submitted pursuant to this section for a single construction project must be submitted to the Board at least 5 working days before the date on which the licensed contractor intends to submit a bid for the project and must be approved by the Board before the submission of a bid by the contractor for the project.

- 4. Subject to the provisions of regulations adopted pursuant to subsection 5, nothing contained in this section prohibits:
- (a) A specialty contractor from taking and executing a contract involving the use of two or more crafts or trades, if the performance of the work in the crafts or trades, other than in which the specialty contractor is licensed, is incidental and supplemental to the performance of work in the craft for which the specialty contractor is licensed.
- (b) Except as otherwise provided in this paragraph, a licensed contractor from performing work of a type for which the contractor does not have a license in the applicable classification or subclassification if the value of the work is less than \$1,000, including labor and materials, and the work does not require a permit. A licensed contractor shall not perform work of a type for which the contractor does not have a license in the applicable classification or subclassification if the work is of a type performed by a plumbing, electrical, refrigeration or air-conditioning contractor.
- 5. The Board shall adopt regulations establishing a specific limit on the amount of asbestos that a licensed contractor with a license that is not classified for the abatement or removal of asbestos may abate or remove pursuant to subsection 4.

[1:Art. III — A:186:1941; added <u>1945, 296</u>; 1943 NCL § 1474.21a] — (NRS A <u>1960, 353</u>; <u>1963, 694</u>; <u>1967, 1592</u>; <u>1971, 180</u>; <u>1979, 321</u>; <u>1999, 2178, 2956</u>; <u>2007, 1550</u>; <u>2011, 199</u>; <u>2019, 1607</u>)

LICENSES

NRS 624.240 Issuance of licenses; use of examinations to investigate, classify and qualify applicants; additional qualifications for master's license; transitory provision.

- 1. Under reasonable regulations adopted by the Board, the Board may investigate, classify and qualify applicants for contractors' licenses by written or oral examinations, or both, and may issue contractors' licenses to qualified applicants. The examinations may, in the discretion of the Board, be given in specific classifications only.
- 2. If a natural person passes the technical examination given by the Board on or after July 1, 1985, to qualify for a classification established pursuant to this chapter, demonstrates to the Board the degree of experience and knowledge required in the regulations of the Board, and is granted a license, the person is qualified for a master's license, if issued by any political subdivision, in the classification for which the examination was given, if the examination required the person to demonstrate his or her knowledge and ability to:
 - (a) Utilize and understand;
 - (b) Direct and supervise work in compliance with; and
- (c) Perform and apply any calculations required to ensure that work performed is in compliance with,
- → the applicable codes, standards and regulations.
- 3. If a natural person qualified for a license before July 1, 1985, in accordance with <u>NRS 624.260</u> in a trade for which a master's license is required by any political subdivision, and if the license is active on or after July 1, 1985, and if the person so qualified wishes to obtain a master's license, the person must pass either the appropriate examination given by the Board on or after July 1, 1985, in accordance with <u>NRS 624.260</u> and the regulations of the Board, or the examination given by the political subdivision in the trade for which a master's license is required.

[1:Art. IV:186:1941; A 1945, 296; 1953, 521; 1955, 378] — (NRS A 1985, 1056)



NRS 624.241 Program for issuance of license in expedited manner. The Board may establish a program for the issuance of a license in an expedited manner. The Board shall not allow the operation of the program for the issuance of a license in an expedited manner to affect adversely the amount of time the Board requires to issue any other contractor's license.

(Added to NRS by 1999, 2177)

NRS 624.245 Temporary prohibition of certain violators from taking examination. The Board may prohibit a person who has been convicted of violating NRS 624.700 or 624.740 from taking a written or oral examination for a contractor's license for a period of not more than 6 months from the date of conviction.

(Added to NRS by 1975, 1159; A 1995, 927)

NRS 624.250 Application for issuance or renewal of license: Contents; fees and assessments: contributions to Construction Education Account.

- 1. To obtain or renew a license, an applicant must submit to the Board an application in writing containing:
- (a) The statement that the applicant desires the issuance of a license under the terms of this chapter.
 - (b) The street address or other physical location of the applicant's place of business.
- (c) The name of a person physically located in this State for service of process on the applicant.
- (d) The street address or other physical location in this State and, if different, the mailing address, for service of process on the applicant.
- (e) Except as otherwise provided in paragraph (f) or (g), the names and physical and mailing addresses of any owners, partners, officers, directors, members and managerial personnel of the applicant.
- (f) If the applicant is a corporation, the names and physical and mailing addresses of the president, secretary, treasurer, any officers responsible for contracting activities in this State, any officers responsible for renewing the license of the applicant, any persons used by the applicant to qualify pursuant to NRS 624.260 and any other persons required by the Board.
- (g) If the applicant is a limited-liability company, the names and physical and mailing addresses of any managers or members with managing authority, any managers or members responsible for contracting activities in this State, any managers or members responsible for renewing the license of the applicant, any persons used by the applicant to qualify pursuant to NRS 624.260 and any other persons required by the Board.
- (h) Any information requested by the Board to ascertain the background, financial responsibility, experience, knowledge and qualifications of the applicant.
 - (i) All information required to complete the application.
 - 2. The application must be:
- (a) Made on a form prescribed by the Board in accordance with the rules and regulations adopted by the Board.
 - (b) Accompanied by the application fee fixed by this chapter.
- 3. The Board shall include on an application form for the issuance or renewal of a license, a method for allowing an applicant to make a monetary contribution to the Construction Education Account created pursuant to NRS 624.580. The application form must state in a clear and conspicuous manner that a contribution to the Construction Education Account is voluntary and is in addition to any fees required for licensure. If the Board receives a contribution from an applicant, the Board shall deposit the contribution with the State Treasurer for credit to the Construction Education Account.



4. Before issuing a license to any applicant, the Board shall require the applicant to pay the license fee fixed by this chapter and, if applicable, any assessment required pursuant to <u>NRS</u> 624.470.

[2:Art. IV:186:1941; 1931 NCL § 1474.23] — (NRS A <u>1997, 2113</u>; <u>1999, 2957</u>; <u>2001, 2411</u>; <u>2005, 2705, 2807</u>; <u>2007, 857</u>)

NRS 624.253 Application for one or more classifications; additional application and fee for license may be required.

- 1. A licensee may make application for classification and be classified in one or more classifications if the licensee meets the qualifications prescribed by the Board for such additional classification or classifications.
- 2. An additional application and license fee may be charged for qualifying or classifying a licensee in additional classifications.

(Added to NRS by <u>1967</u>, <u>1594</u>)

NRS 624.254 Issuance or renewal of license under name likely to result in confusion or mistake prohibited. No license may be issued or renewed by the Board under a name which:

- 1. Is the same as the name of another licensee:
- 2. So resembles the name of another licensee that the Board determines that it is likely to result in confusion or mistake: or
 - 3. The Board determines is likely to mislead the general public. (Added to NRS by 1987, 1138; A 1993, 926)

NRS 624.2545 Denial of application for issuance or renewal of license: Notice; request for hearing; hearing; delegation of authority to hearing officer; regulations.

- 1. If the Board denies an application for issuance or renewal of a license pursuant to this chapter, the Board shall send by certified mail, return receipt requested, written notice of the denial to the most current address of the applicant set forth in the records of the Board.
- 2. A notice of denial must include, without limitation, a statement which explains that the applicant has a right to a hearing before the Board if the applicant submits a written request for such a hearing to the Board within 60 days after the notice of denial is sent to the address of the applicant pursuant to this section.
- 3. If an applicant who receives a notice of denial pursuant to this section desires to have the denial reviewed at a hearing before the Board, the applicant must submit a written request for a hearing before the Board concerning the denial within 60 days after the notice of denial is sent to the applicant's address. If an applicant does not submit notice in accordance with this subsection, the applicant's right to a hearing shall be deemed to be waived.
- 4. Except as otherwise provided in this subsection, if the Board receives notice from an applicant pursuant to subsection 3, the Board shall hold a hearing on the decision to deny the application of the applicant within 90 days after the date the Board receives notice pursuant to subsection 3. If an applicant requests a continuance and the Board grants the continuance, the hearing required pursuant to this subsection may be held more than 90 days after the date the Board receives notice pursuant to subsection 3.
- 5. The Board may delegate to a hearing officer or panel its authority to hold a hearing concerning the denial of an application pursuant to this section. The Board shall adopt regulations setting forth the qualifications for a hearing officer.

(Added to NRS by 2001, 2409; A 2019, 2031)

NRS 624.256 Proof of industrial insurance; notification of Fraud Control Unit for Industrial Insurance of failure to obtain industrial insurance; disciplinary action; penalty for failure to pay contributions to Unemployment Compensation Fund.



- 1. Before granting an original or renewal of a contractor's license to any applicant, the Board shall require that the applicant submit to the Board:
- (a) Proof of industrial insurance and insurance for occupational diseases which covers the applicant's employees;
- (b) A copy of the applicant's certificate of qualification as a self-insured employer which was issued by the Commissioner of Insurance;
- (c) If the applicant is a member of an association of self-insured public or private employers, a copy of the certificate issued to the association by the Commissioner of Insurance; or
- (d) An affidavit signed by the applicant affirming that he or she is not subject to the provisions of <u>chapters 616A</u> to <u>616D</u>, inclusive, or chapter <u>617</u> of NRS because the applicant:
 - (1) Has no employees:
 - (2) Is not or does not intend to be a subcontractor for a principal contractor; and
- (3) Has not or does not intend to submit a bid on a job for a principal contractor or subcontractor.
- 2. The Board shall notify the Fraud Control Unit for Industrial Insurance established pursuant to NRS 228.420 whenever the Board learns that an applicant or holder of a contractor's license has engaged in business as or acted in the capacity of a contractor within this State without having obtained or maintained industrial insurance or insurance for occupational diseases in violation of the provisions of chapters 616A to 617, inclusive, of NRS.
- 3. Failure by an applicant or holder of a contractor's license to file or maintain in full force the required industrial insurance and insurance for occupational diseases constitutes cause for the Board to deny, revoke, suspend, refuse to renew or otherwise discipline the person, unless the person has complied with the provisions set forth in paragraph (d) of subsection 1.
- 4. As soon as practicable, but not more than 3 business days after receiving notice from the Department of Employment, Training and Rehabilitation pursuant to NRS 612.642 that a judgment has been obtained against a contractor for failure to pay contributions to the Unemployment Compensation Fund or from the Division of Industrial Relations of the Department of Business and Industry pursuant to NRS 616B.630 that a contractor is not in full compliance with the requirements of chapters 616A to 617, inclusive, of NRS, the Board shall notify the contractor by mail at the last known address of the contractor, as it appears in the records of the Board, that the Board will suspend the license of the contractor if the contractor does not furnish proof, within 30 days after the date of the notice sent by the Board, that the contractor has satisfied the judgment reported to the Board pursuant to NRS 612.642 or is in full compliance with the requirements of chapters 616A to 617, inclusive, of NRS.
- 5. If the contractor fails to furnish proof, within 30 days after the date of the notice sent by the Board pursuant to subsection 4, that the contractor has satisfied the judgment reported to the Board pursuant to <u>NRS 612.642</u> or is in full compliance with the requirements of <u>chapters 616A</u> to <u>617</u>, inclusive, of NRS, the Board shall, as soon as practicable, but not more than 3 business days after the expiration of the 30-day period, for a first offense:
- (a) Summarily suspend the license of the contractor without further notice pursuant to subsection 4 of NRS 624.291; and
- (b) Require the contractor to submit to the Board a list of all projects for which the contractor has unfulfilled contractual obligations where the contract was entered into on or before the date of the notice sent by the Board pursuant to subsection 4.
 - 6. If a contractor's license is suspended pursuant to paragraph (a) of subsection 5:
- (a) The suspension must continue until the contractor furnishes proof that the contractor has satisfied the judgment reported to the Board pursuant to <u>NRS 612.642</u> or is in full compliance with the requirements of chapters 616A to 617, inclusive, of NRS:
- (b) During the term of the suspension, the contractor shall not submit any bids for any new work or begin work on any project not described in the list submitted to the Board pursuant to paragraph (b) of subsection 5; and



- (c) The Board shall notify:
- (1) The Office of the Labor Commissioner, which shall, as soon as practicable, but not more than 3 business days after receipt of the notice, add the name of the contractor to the list of contractors who are disgualified to bid on public works; and
- (2) The State Public Works Board, which shall, as soon as practicable, but not more than 3 business days after receipt of the notice, add the name of the contractor to the list of contractors who are not pregualified to bid on public works.
- 7. If the name of a contractor is added to a list pursuant to paragraph (c) of subsection 6, the Office of the Labor Commissioner or the State Public Works Board, as applicable, shall remove the name from the list when notified by the Board that the suspension has been lifted pursuant to paragraph (a) of subsection 6.
- 8. If the Board finds that a contractor has failed to provide a complete list of projects in accordance with paragraph (b) of subsection 5 or has violated paragraph (b) of subsection 6, the Board shall:
- (a) For a first offense, suspend the contractor's license for an additional 12 months after the contractor furnishes the proof described in paragraph (a) of subsection 6; and
- (b) For a second or subsequent offense, conduct a hearing pursuant to <u>NRS 624.291</u>, and, if it is determined at the hearing that a second or subsequent offense has been committed, revoke the contractor's license.
- 9. If a contractor for whom the suspension of a contractor's license has been lifted after providing the proof required pursuant to paragraph (a) of subsection 6 receives notice from the Board pursuant to subsection 4 within 5 years after the date of reinstatement and the contractor fails to furnish proof, within 30 days after the date of the notice sent by the Board, that the contractor has satisfied the judgment reported to the Board pursuant to NRS 612.642 or is in full compliance with the requirements of chapters 616A to 617, inclusive, of NRS, the Board shall conduct a hearing pursuant to NRS 624.291 and, if it is determined at the hearing that a second or subsequent offense has been committed within a 5-year period, revoke the contractor's license.

(Added to NRS by <u>1983, 541;</u> A <u>1987, 1138;</u> <u>1993, 781;</u> <u>1995, 1879;</u> <u>1999, 237;</u> <u>2007,</u> <u>858;</u> <u>2013, 2208</u>)

NRS 624.260 Applicant or licensee to demonstrate experience, knowledge and financial responsibility; qualifications concerning experience and knowledge; limitations on qualifications of natural person.

- 1. The Board shall require an applicant or licensee to show such a degree of experience, financial responsibility and such general knowledge of the building, safety, health and lien laws of the State of Nevada and the administrative principles of the contracting business as the Board deems necessary for the safety and protection of the public.
- 2. An applicant or licensee may qualify in regard to his or her experience and knowledge in the following ways:
- (a) If a natural person, the applicant or licensee may qualify by personal appearance or by the appearance of his or her responsible managing employee.
- (b) If a copartnership, a corporation or any other combination or organization, it may qualify by the appearance of the responsible managing officer or member of the personnel of the applicant firm.
- → If an applicant or licensee intends to qualify pursuant to this subsection by the appearance of another person, the applicant or licensee shall submit to the Board such information as the Board determines is necessary to demonstrate the duties and responsibilities of the other person so appearing with respect to the supervision and control of the operations of the applicant or licensee relating to construction.
- 3. The natural person qualifying on behalf of another natural person or firm under paragraphs (a) and (b) of subsection 2 must prove that he or she is a bona fide member or



employee of that person or firm and when his or her principal or employer is actively engaged as a contractor shall exercise authority in connection with the principal or employer's contracting business in the following manner:

- (a) To make technical and administrative decisions;
- (b) To hire, superintend, promote, transfer, lay off, discipline or discharge other employees and to direct them, either by himself or herself or through others, or effectively to recommend such action on behalf of the principal or employer; and
- (c) To devote himself or herself solely to the principal or employer's business and not to take any other employment which would conflict with his or her duties under this subsection.
- 4. If, pursuant to subsection 2, an applicant or licensee intends to qualify by the appearance of another person, the Board may inquire into and consider any previous business experience of, and any prior and pending lawsuits, liens and judgments against, the other person.
- 5. A natural person may not qualify on behalf of another for more than one active license unless:
 - (a) One person owns at least 25 percent of each licensee for which the person qualifies;
 - (b) One licensee owns at least 25 percent of the other licensee; or
 - (c) One licensee is a corporation for public benefit as defined in NRS 82.021.
- 6. Except as otherwise provided in subsection 7, in addition to the other requirements set forth in this section, each applicant for licensure as a contractor must have had, within the 15 years immediately preceding the filing of the application for licensure, at least 4 years of experience as a journeyman, foreman, supervising employee or contractor in the specific classification in which the applicant is applying for licensure. Training received in a program offered at an accredited college or university or an equivalent program accepted by the Board may be used to satisfy not more than 3 years of experience required pursuant to this subsection.
- 7. If the applicant who is applying for licensure has previously qualified for a contractor's license in the same classification in which the applicant is applying for licensure, the experience required pursuant to subsection 6 need not be accrued within the 15 years immediately preceding the application.
 - 8. As used in this section, "journeyman" means a person who:
- (a) Is fully qualified to perform, without supervision, work in the classification in which the person is applying for licensure; or
 - (b) Has successfully completed:
- (1) A program of apprenticeship for the classification in which the person is applying for licensure that has been approved by the State Apprenticeship Council; or
 - (2) An equivalent program accepted by the Board.
- [3:Art. IV:186:1941; A <u>1951</u>, 47] (NRS A <u>1967</u>, <u>1593</u>; <u>1985</u>, <u>1056</u>; <u>1999</u>, <u>2179</u>; <u>2015</u>, <u>2005</u>; <u>2019</u>, <u>2032</u>)

NRS 624.262 Financial responsibility of applicant or licensee: Demonstration required. A licensee or an applicant for a contractor's license must prove financial responsibility by demonstrating that his or her past and current financial solvency and expectations for financial solvency in the future are such as to provide the Board with a reasonable expectation that the licensee or applicant can successfully do business as a contractor without jeopardy to the public health, safety and welfare.

(Added to NRS by 1999, 2953)

NRS 624.263 Financial responsibility of applicant or licensee: Standards and criteria for determination.

1. The financial responsibility of a licensee or an applicant for a contractor's license must be established independently of and without reliance on any assets or guarantees of any owners or managing officers of the licensee or applicant or any person who qualifies on behalf of the licensee



or applicant pursuant to subsection 2 of <u>NRS 624.260</u>, but the financial responsibility of the following persons may be inquired into and considered as a criterion in determining the financial responsibility of the licensee or applicant:

- (a) Any owner of the licensee or applicant;
- (b) Any managing officer of the licensee or applicant; or
- (c) Any person who qualifies on behalf of the licensee or applicant pursuant to subsection 2 of <u>NRS 624.260</u>.
- 2. The financial responsibility of an applicant for a contractor's license or of a licensed contractor may be determined by using the following standards and criteria in connection with each applicant or contractor and each associate or partner thereof:
 - (a) Amount of net worth.
 - (b) Amount of liquid assets.
 - (c) Amount of current assets.
 - (d) Amount of current liabilities.
 - (e) Amount of working capital.
 - (f) Ratio of current assets to current liabilities.
 - (g) Fulfillment of bonding requirements pursuant to NRS 624.270.
 - (h) Prior payment and credit records.
 - (i) Previous business experience.
 - (i) Prior and pending lawsuits.
 - (k) Prior and pending liens.
 - (I) Adverse judgments.
 - (m) Conviction of a felony or crime involving moral turpitude.
 - (n) Prior suspension or revocation of a contractor's license in Nevada or elsewhere.
- (o) An adjudication of bankruptcy or any other proceeding under the federal bankruptcy laws, including:
 - (1) A composition, arrangement or reorganization proceeding;
- (2) The appointment of a receiver of the property of the applicant or contractor or any officer, director, associate or partner thereof under the laws of this State or the United States; or
 - (3) The making of an assignment for the benefit of creditors.
 - (p) Form of business organization, corporate or otherwise.
 - (g) Information obtained from confidential financial references and credit reports.
- (r) Reputation for honesty and integrity of the applicant or contractor or any officer, director, associate or partner thereof.
- 3. A licensed contractor shall, as soon as it is reasonably practicable, notify the Board in writing upon the filing of a petition or application relating to the contractor that initiates any proceeding, appointment or assignment set forth in paragraph (o) of subsection 2. The written notice must be accompanied by:
 - (a) A copy of the petition or application filed with the court; and
- (b) A copy of any order of the court which is relevant to the financial responsibility of the contractor, including any order appointing a trustee, receiver or assignee.
- 4. Before issuing a license to an applicant who will engage in residential construction or renewing the license of a contractor who engages in residential construction, the Board may require the applicant or licensee to establish financial responsibility by submitting to the Board:
 - (a) A financial statement that is:
 - (1) Prepared by a certified public accountant; or
- (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and
- (b) A statement setting forth the number of building permits issued to and construction projects completed by the licensee during the immediately preceding year and any other



information required by the Board. The statement submitted pursuant to this paragraph must be provided on a form approved by the Board.

- 5. In addition to the requirements set forth in subsection 4, the Board may require a licensee to establish financial responsibility at any time.
- 6. An applicant for an initial contractor's license or a licensee applying for the renewal of a contractor's license has the burden of demonstrating financial responsibility to the Board, if the Board requests the applicant or licensee to do so.

(Added to NRS by <u>1967</u>, <u>1594</u>; A <u>1969</u>, <u>939</u>; <u>1993</u>, <u>926</u>; <u>1999</u>, <u>2958</u>; <u>2001</u>, <u>2412</u>; <u>2005</u>, <u>1200</u>; <u>2007</u>, <u>859</u>; <u>2015</u>, <u>2006</u>)

NRS 624.264 Financial responsibility of applicant or licensee: Additional requirements for certain applicants and licensees engaged in residential construction.

- 1. In addition to any other requirements set forth in this chapter, if an applicant will engage in residential construction and the applicant or the natural person qualifying on behalf of the applicant pursuant to NRS 624.260 has not held a contractor's license issued pursuant to this chapter within the 2 years immediately preceding the date that the application is submitted to the Board, the Board shall require the applicant to establish financial responsibility by submitting to the Board:
 - (a) A financial statement that is:
 - (1) Prepared by an independent certified public accountant; or
- (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and
 - (b) Any other information required by the Board.
- 2. Before the Board may issue a contractor's license to the applicant, the Board must determine whether, based on the financial information concerning the applicant, it would be in the public interest to do any or all of the following:
- (a) Require the applicant to obtain the services of a construction control with respect to any money that the applicant requires a purchaser of a new residence to pay in advance to make upgrades to the new residence. If the Board imposes such a requirement, the applicant may not:
- (1) Be related to the construction control or to an employee or agent of the construction control; or
- (2) Hold, directly or indirectly, a financial interest in the business of the construction control.
- (b) Establish an aggregate monetary limit on the contractor's license, which must be the maximum combined monetary limit on all contracts that the applicant may undertake or perform as a licensed contractor at any one time, regardless of the number of contracts, construction sites, subdivision sites or clients. If the Board establishes such a limit, the Board:
 - (1) Shall determine the period that the limit is in effect; and
- (2) During that period, may increase or decrease the limit as the Board deems appropriate.

(Added to NRS by 2003, 1897; A 2005, 1202; 2019, 2033)

NRS 624.265 Good character of applicant or licensed contractor and certain associates; grounds for establishment of lack of good character; background investigation; confidentiality of results of background investigation; fee for processing fingerprints; Board may obtain criminal history.

1. An applicant for a contractor's license or a licensed contractor, each officer, director, partner and associate thereof, and any person who qualifies on behalf of the applicant pursuant to subsection 2 of <u>NRS 624.260</u> must possess good character. Lack of character may be established by showing that the applicant or licensed contractor, any officer, director, partner or associate thereof, or any person who qualifies on behalf of the applicant has:



- (a) Committed any act which would be grounds for the denial, suspension or revocation of a contractor's license:
 - (b) A bad reputation for honesty and integrity;
- (c) Entered a plea of guilty, guilty but mentally ill or nolo contendere to, been found guilty or guilty but mentally ill of, or been convicted, in this State or any other jurisdiction, of a crime arising out of, in connection with or related to the activities of such person in such a manner as to demonstrate his or her unfitness to act as a contractor, and the time for appeal has elapsed or the judgment of conviction has been affirmed on appeal; or
- (d) Had a license revoked or suspended for reasons that would preclude the granting or renewal of a license for which the application has been made.
- 2. Upon the request of the Board, an applicant for a contractor's license, any officer, director, partner or associate of the applicant and any person who qualifies on behalf of the applicant pursuant to subsection 2 of NRS 624.260 must submit to the Board completed fingerprint cards and a form authorizing an investigation of the applicant's background and the submission of the fingerprints to the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation. The fingerprint cards and authorization form submitted must be those that are provided to the applicant by the Board. The applicant's fingerprints may be taken by an agent of the Board or an agency of law enforcement.
- 3. Except as otherwise provided in <u>NRS 239.0115</u>, the Board shall keep the results of the investigation confidential and not subject to inspection by the general public.
- 4. The Board shall establish by regulation the fee for processing the fingerprints to be paid by the applicant. The fee must not exceed the sum of the amounts charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprints.
- 5. The Board may obtain records of a law enforcement agency or any other agency that maintains records of criminal history, including, without limitation, records of:
 - (a) Arrests;
 - (b) Guilty and guilty but mentally ill pleas;
 - (c) Sentencing;
 - (d) Probation;
 - (e) Parole;
 - (f) Bail;
 - (g) Complaints; and
 - (h) Final dispositions,
- → for the investigation of a licensee or an applicant for a contractor's license.

(Added to NRS by <u>1967</u>, <u>1595</u>; A <u>1995</u>, <u>2476</u>; <u>1999</u>, <u>2180</u>, <u>2959</u>; <u>2003</u>, <u>1497</u>; <u>2005</u>, 1203; 2007, 1470, 2131; 2015, 2007)

NRS 624.266 Duty of applicant or licensee to disclose certain information to Board.

- 1. An applicant for a contractor's license or a licensee shall notify the Board in writing if he or she is convicted of, or enters a plea of guilty, guilty but mentally ill or nolo contendere to:
 - (a) A crime against a child as that term is defined in NRS 179.245;
 - (b) A sexual offense as that term is defined in NRS 179.245:
 - (c) Murder as that term is defined in NRS 200.010;
 - (d) Voluntary manslaughter as that term is defined in NRS 200.050; or
- (e) Any other felony or crime involving moral turpitude if the conviction occurred or the plea was entered in the immediately preceding 15 years,
- → in this State or any other jurisdiction.
- 2. An applicant for a contractor's license or a licensee shall submit the notification required by subsection 1 not more than 30 days after the conviction or entry of the plea of guilty, guilty but mentally ill or nolo contendere.



(Added to NRS by 2011, 1882)

NRS 624.268 Payment of child support: Submission of certain information by applicant; grounds for denial of license; duty of Board. [Effective until the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]

- 1. In addition to any other requirements set forth in this chapter:
- (a) A natural person who applies for the issuance of a contractor's license shall include the social security number of the applicant in the application submitted to the Board.
- (b) A natural person who applies for the issuance or renewal of a contractor's license shall submit to the Board the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.
 - 2. The Board shall include the statement required pursuant to subsection 1 in:
- (a) The application or any other forms that must be submitted for the issuance or renewal of the license; or
 - (b) A separate form prescribed by the Board.
- 3. A contractor's license may not be issued or renewed by the Board if the applicant is a natural person who:
 - (a) Fails to submit the statement required pursuant to subsection 1; or
- (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
- 4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Board shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

(Added to NRS by 1997, 2112; A 2005, 2706, 2807)

NRS 624.268 Payment of child support: Submission of certain information by applicant; grounds for denial of license; duty of Board. [Effective on the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings and expires by limitation 2 years after that date.]

- 1. In addition to any other requirements set forth in this chapter, a natural person who applies for the issuance or renewal of a contractor's license shall submit to the Board the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.
 - 2. The Board shall include the statement required pursuant to subsection 1 in:
- (a) The application or any other forms that must be submitted for the issuance or renewal of the license; or
 - (b) A separate form prescribed by the Board.
- 3. A contractor's license may not be issued or renewed by the Board if the applicant is a natural person who:
 - (a) Fails to submit the statement required pursuant to subsection 1; or



- (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
- 4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Board shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

(Added to NRS by 1997, 2112; A 2005, 2706, 2807, effective on the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings)

NRS 624.270 Bond and deposit: Requirements; amount; conditions.

- 1. Before issuing a contractor's license to any applicant, the Board shall require that the applicant:
- (a) File with the Board a surety bond in a form acceptable to the Board executed by the contractor as principal with a corporation authorized to transact surety business in the State of Nevada as surety; or
 - (b) In lieu of such a bond, establish with the Board a cash deposit as provided in this section.
- 2. Before granting renewal of a contractor's license to any applicant, the Board shall require that the applicant file with the Board satisfactory evidence that the applicant's surety bond or cash deposit is in full force, unless the applicant has been relieved of the requirement as provided in this section.
- 3. Failure of an applicant or licensee to file or maintain in full force the required bond or to establish the required cash deposit constitutes cause for the Board to deny, revoke, suspend or refuse to renew a license.
- 4. Except as otherwise provided in subsection 6, the amount of each bond or cash deposit required by this section must be fixed by the Board with reference to the contractor's financial and professional responsibility and the magnitude of the contractor's operations, but must be not less than \$1,000 or more than \$500,000. The bond must be continuous in form and must be conditioned that the total aggregate liability of the surety for all claims is limited to the face amount of the bond irrespective of the number of years the bond is in force. A bond required by this section must be provided by a person whose long-term debt obligations are rated "A" or better by a nationally recognized rating agency. The Board may increase or reduce the amount of any bond or cash deposit if evidence supporting such a change in the amount is presented to the Board at the time application is made for renewal of a license or at any hearing conducted pursuant to NRS 624.2545 or 624.291. Unless released earlier pursuant to subsection 5, any cash deposit may be withdrawn 2 years after termination of the license in connection with which it was established, or 2 years after completion of all work authorized by the Board after termination of the license, whichever occurs later, if there is no outstanding claim against it.
- 5. After a licensee has acted in the capacity of a licensed contractor in the State of Nevada for not less than 5 consecutive years, the Board may relieve the licensee of the requirement of filing a bond or establishing a cash deposit if evidence supporting such relief is presented to the Board. The Board may at any time thereafter require the licensee to file a new bond or establish a new cash deposit as provided in subsection 4:
 - (a) If evidence is presented to the Board supporting this requirement;



- (b) Pursuant to subsection 6, after notification of a final written decision by the Labor Commissioner; or
 - (c) Pursuant to subsection 7.
- → If a licensee is relieved of the requirement of establishing a cash deposit, the deposit may be withdrawn 2 years after such relief is granted, if there is no outstanding claim against it.
- 6. If the Board is notified by the Labor Commissioner pursuant to <u>NRS 607.165</u> or otherwise receives notification that three substantiated claims for wages have been filed against a contractor within a 2-year period, the Board shall require the contractor to file a bond or establish a cash deposit in an amount fixed by the Board. The contractor shall maintain the bond or cash deposit for the period required by the Board.
 - 7. If a contractor who performs work concerning a residential pool or spa:
- (a) Is determined by the Board to have violated one or more of the provisions of \underline{NRS} 624.301 to 624.305, inclusive;
- (b) Enters into a contract on or after July 1, 2001, that is later found to be void and unenforceable against the owner pursuant to subsection 5 of <u>NRS 624.940</u> or pursuant to any regulation adopted by the Board with respect to contracts for work concerning a residential pool or spa; or
- (c) Has five valid complaints filed against him or her with the Board within any 15-day period,

 → the Board may require the contractor to comply with the provisions of subsection 8.
- 8. If the Board requires a contractor described in subsection 7 to comply with the provisions of this subsection, the contractor shall, before commencing work concerning a residential pool or spa, obtain:
- (a) Except as otherwise provided in this subsection, a performance bond in an amount equal to not less than 50 percent of the amount of the contract, conditioned upon the faithful performance of the contract in accordance with the plans, specifications and conditions set forth in the contract. The performance bond must be solely for the protection of the owner of the property to be improved.
- (b) Except as otherwise provided in this subsection, a payment bond in an amount equal to not less than 50 percent of the amount of the contract. The payment bond must be solely for the protection of persons supplying labor or materials to the contractor, or to any of his or her subcontractors, in carrying out the provisions of the contract.
- → A bond required pursuant to this subsection must be provided by a person whose long-term debt obligations are rated "A" or better by a nationally recognized rating agency. The contractor shall maintain the bond for the period required by the Board. The contractor shall furnish to the building department of the city or county, as applicable, in which the work will be carried out, a copy of any bond. In lieu of a performance or payment bond, the contractor may obtain an equivalent form of security approved by the Board.
- 9. As used in this section, "substantiated claim for wages" has the meaning ascribed to it in <u>NRS 607.165</u>.
- [6:Art. IV:186:1941; added <u>1951</u>, <u>365</u>] (NRS A <u>1959</u>, <u>868</u>; <u>1963</u>, <u>695</u>; <u>1965</u>, <u>349</u>; <u>1971</u>, <u>180</u>; <u>1975</u>, <u>1160</u>; <u>1983</u>, <u>318</u>; <u>1985</u>, <u>1057</u>; <u>1987</u>, <u>1139</u>; <u>1997</u>, <u>1513</u>, <u>2688</u>; <u>1999</u>, <u>596</u>; <u>2001</u>, <u>2413</u>, <u>2981</u>; <u>2003</u>, <u>2142</u>; <u>2005</u>, <u>2383</u>)
- NRS 624.273 Bond and deposit: Person benefited; actions; payment by surety without action by court; interpleader by surety or Board; preferred claims; prohibited claims.
- 1. Each bond or deposit required by <u>NRS 624.270</u> must be in favor of the State of Nevada for the benefit of any person who:
- (a) As owner of the property to be improved entered into a construction contract with the contractor and is damaged by failure of the contractor to perform the contract or to remove liens filed against the property;



- (b) As an employee of the contractor performed labor on or about the site of the construction covered by the contract:
- (c) As a supplier or materialman furnished materials or equipment for the construction covered by the contract; or
- (d) Is injured by any unlawful act or omission of the contractor in the performance of a contract.
- 2. Any person claiming against the bond or deposit may bring an action in a court of competent jurisdiction on the bond or against the Board on the deposit for the amount of damage the person has suffered to the extent covered by the bond or deposit. No action may be commenced on the bond or deposit 2 years after the commission of the act on which the action is based. If an action is commenced on the bond, the surety that executed the bond shall notify the Board of the action within 30 days after the date that:
 - (a) The surety is served with a complaint and summons; or
 - (b) The action is commenced,
- → whichever occurs first.
- 3. Upon receiving a request from a person for whose benefit a bond or deposit is required, the Board shall notify the person that:
 - (a) A bond is in effect or that a deposit has been made, and the amount of either;
- (b) There is an action against a bond, if that is the case, and the court, the title and number of the action and the amount sought by the plaintiff; and
- (c) There is an action against the Board, if that is the case, and the amount sought by the plaintiff.
- 4. If a surety, or in the case of a deposit, the Board, desires to make payment without awaiting court action, the amount of the bond or deposit must be reduced to the extent of any payment made by the surety or the Board in good faith under the bond or deposit. Any payment must be based on written claims received by the surety or Board before the court action.
- 5. The surety or the Board may bring an action for interpleader against all claimants upon the bond or deposit. If an action for interpleader is commenced, the surety or the Board must serve each known claimant and publish notice of the action at least once each week for 2 weeks in a newspaper of general circulation in the county where the contractor has his or her principal place of business. The surety is entitled to deduct its costs of the action, including publication, from its liability under the bond. The Board is entitled to deduct its costs of the action, including attorney's fees and publication, from the deposit.
- 6. A claim of any employee of the contractor for labor is a preferred claim against a bond or deposit. If any bond or deposit is insufficient to pay all claims for labor in full, the sum recovered must be distributed among all claimants for labor in proportion to the amounts of their respective claims. Partial payment of claims is not full payment, and the claimants may bring actions against the contractor for the unpaid balances.
- 7. Claims, other than claims for labor, against a bond or deposit have equal priority, except where otherwise provided by law, and if the bond or deposit is insufficient to pay all of those claims in full, they must be paid pro rata. Partial payment of claims is not full payment, and the claimants may bring actions against the contractor for the unpaid balances.
- 8. The Board may not claim against the bond or deposit required pursuant to <u>NRS</u> <u>624.270</u> for the payment of an administrative fine imposed for a violation of the provisions of this chapter.

(Added to NRS by 1965, 351; A 1971, 181, 383; 1981, 1746; 1985, 761; 1999, 2181, 2960)

NRS 624.275 Bond and deposit: Notice of claim paid against contractor's bond by surety; cancellation of contractor's bond by surety; notification to contractor of claim against or cancellation of bond; duties of Board and contractor; revocation or suspension of license.



- 1. With respect to a surety bond that a licensed contractor maintains in accordance with NRS 624.270 or 624.276:
- (a) The surety shall give prompt notice to the Board of any claims paid against the bond of the licensed contractor.
- (b) The surety may cancel the bond upon giving 60 days' notice to the Board and to the contractor by certified mail.
- 2. Upon receipt by the Board of the notice described in paragraph (a) of subsection 1, the Board shall immediately notify the contractor who is the principal on the bond that the contractor's license will be suspended or revoked unless the contractor furnishes an equivalent bond or establishes an equivalent cash deposit before a date set by the Board.
- 3. Upon receipt by the Board of the notice described in paragraph (b) of subsection 1, the Board shall immediately notify the contractor who is the principal on the bond that the contractor's license will be suspended or revoked unless the contractor furnishes an equivalent bond or establishes an equivalent cash deposit before the effective date of the cancellation.
- 4. The notice mailed to the contractor by the Board pursuant to subsection 2 or 3 must be addressed to the contractor's latest address of record in the office of the Board.
- 5. If the contractor does not comply with the requirements of the notice from the Board, the contractor's license must be suspended or revoked on the date:
 - (a) Set by the Board, if the notice was provided to the contractor pursuant to subsection 2; or
- (b) The bond is cancelled, if the notice was provided to the contractor pursuant to subsection 3.

(Added to NRS by 1965, 351; A 1987, 1140; 1989, 852; 1999, 2182; 2005, 2384)

NRS 624.276 Bond and deposit: Additional requirements for contractors performing work concerning residential pools or spas.

- 1. Before granting an original contractor's license to, or renewing the contractor's license of, an applicant who performs or will perform work concerning residential pools or spas, the Board shall, in addition to any other conditions for the issuance or renewal of a license, require the applicant to:
- (a) File with the Board a bond solely for the protection of consumers in an amount fixed by the Board; or
 - (b) In lieu of filing a bond, establish with the Board a cash deposit as provided in this section.
- 2. A bond required pursuant to subsection 1 is in addition to, may not be combined with and does not replace any other bond required pursuant to the provisions of this chapter. A contractor required to file a bond pursuant to subsection 1 shall maintain the bond for 5 years or for such longer period as the Board may require.
- 3. After a contractor who performs work concerning a residential pool or spa has acted in the capacity of a licensed contractor in the State of Nevada for not less than 5 consecutive years, the Board may relieve the contractor of the requirements of subsection 1 if evidence supporting such relief is presented to the Board. The Board may at any time thereafter require the contractor to comply with subsection 1 if evidence is presented to the Board supporting this requirement.
- 4. If a licensee is relieved of the requirement of establishing a cash deposit pursuant to this section, the deposit may be withdrawn 2 years after such relief is granted, if there is no outstanding claim against it.
- 5. Failure of an applicant or licensee to file or maintain in full force the required bond or to establish the required cash deposit constitutes cause for the Board to deny, revoke, suspend or refuse to renew a license.
- 6. The amount of each bond or cash deposit required by this section must be fixed by the Board with reference to the contractor's financial and professional responsibility and the magnitude of the contractor's operations, but must be not less than \$10,000 or more than \$400,000. The bond must be continuous in form and must be conditioned that the total aggregate



liability of the surety for all claims is limited to the face amount of the bond irrespective of the number of years the bond is in force.

- 7. A bond required pursuant to subsection 1 must be provided by a person whose long-term debt obligations are rated "A" or better by a nationally recognized rating agency. The Board may increase or reduce the amount of any bond or cash deposit if evidence supporting such a change in the amount is presented to the Board at the time application is made for renewal of a license or at any hearing conducted pursuant to NRS 624.2545 or 624.291.
- 8. Unless released earlier pursuant to subsection 3, any cash deposit may be withdrawn 2 years after termination of the license in connection with which it was established or 2 years after completion of all work authorized by the Board after termination of the license, whichever occurs later, if there is no outstanding claim against it.
- 9. Each bond or deposit required pursuant to this section must be in favor of the State of Nevada solely for the benefit of any consumer who entered into a contract with the contractor to perform work concerning a residential pool or spa and:
- (a) Is damaged by failure of the contractor to perform the contract or to remove liens filed against the property; or
- (b) Is injured by any unlawful act or omission of the contractor in the performance of a contract.
- 10. Any consumer claiming against the bond or deposit may bring an action in a court of competent jurisdiction on the bond or against the Board on the deposit for the amount of damage the consumer has suffered to the extent covered by the bond or deposit.
- 11. If an action is commenced on the bond, the surety that executed the bond shall notify the Board of the action within 30 days after the date that:
 - (a) The surety is served with a complaint and summons; or
 - (b) The action is commenced,
- → whichever occurs first.
- 12. A claim or action pursuant to this section must proceed and be administered in the manner provided pursuant to NRS 624.273 for a claim or action.
- 13. The Board shall adopt regulations necessary to carry out the provisions of this section, including, without limitation, regulations concerning:
 - (a) The determination of the amount of a bond pursuant to this section:
 - (b) The form of bond required pursuant to this section;
- (c) The time within which an applicant or licensee must comply with the provisions of this section; and
 - (d) Procedures to contest the amount of a bond required pursuant to this section.
- 14. The Board shall immediately suspend the license of a contractor who fails to post the bond or provide the deposit required pursuant to this section. Failure by a licensee for 6 months to post the bond or provide the deposit required pursuant to this section constitutes grounds for disciplinary action.
 - 15. As used in this section:
 - (a) "Consumer" means a natural person who:
 - (1) Owns a single-family residence; and
- (2) Enters into a contract with a licensee to perform work concerning a residential pool or spa.
- (b) "Work concerning a residential pool or spa" has the meaning ascribed to it in NRS 624.915.

(Added to NRS by 2001, 2981; A 2005, 2385)

NRS 624.280 Regulations concerning fees; limitation on amount. The Board may adopt regulations fixing the fee for an application, the fee for an examination and the fee for a license to be paid by applicants and licensees. Except as otherwise provided in NRS 624.281, the fee for:



- 1. An application must not exceed \$550.
- 2. A license must not exceed \$900 biennially.
- 3. An examination must not exceed \$300.

[1:Art. VI:186:1941; A <u>1951, 47; 1953, 521</u>] — (NRS A <u>1959, 869; 1967, 1593; 1981, 634; 1987, 1140; 1997, 506; 1999, 2182; 2007, 860</u>)

NRS 624.281 Fee for license issued in expedited manner; reimbursement to Board for costs and expenses; regulations concerning application for license issued in expedited manner.

- 1. If an applicant wishes to have a license issued in an expedited manner, the applicant must pay a fee for an application equal to two times the amount of the fee regularly paid for an application pursuant to subsection 1 of <u>NRS 624.280</u>.
- 2. The applicant must pay one-half of the fee required pursuant to subsection 1 when submitting the application and the other one-half of the fee when the Board issues the license.
- 3. In addition to the fee required pursuant to subsection 1, the applicant shall reimburse the Board for the actual costs and expenses incurred by the Board in processing the application.
- 4. The Board shall adopt regulations prescribing the procedures for making an application pursuant to this section.

(Added to NRS by 1999, 2177)

NRS 624.282 Inactive status of license: Application; effect; duration; regulations.

- 1. A contractor may apply to the Board to have his or her license placed on inactive status. The Board may grant the application if the license is in good standing and the licensee has met all requirements for the issuance or renewal of a contractor's license as of the date of the application.
- 2. If the application is granted, the licensee shall not engage in any work or activities that require a contractor's license in this State unless the licensee is returned to active status.
- 3. A person whose license has been placed on inactive status pursuant to this section is exempt from:
 - (a) The requirement to execute and maintain a bond pursuant to NRS 624.270; and
- (b) The requirement to qualify in regard to his or her experience and knowledge pursuant to NRS 624.260.
- 4. The inactive status of a license is valid for 8 years after the date that the inactive status is granted.
- 5. The Board shall not refund any portion of the renewal fee of a contractor's license that was paid before the license was placed on inactive status.
 - 6. The Board shall adopt regulations prescribing the:
 - (a) Procedures for making an application pursuant to this section;
- (b) Procedures and terms upon which a person whose license has been placed on inactive status may resume work or activities that require a contractor's license; and
 - (c) Fees for the renewal of the inactive status of a license.

(Added to NRS by 1999, 2177; A 2019, 2034)

NRS 624.283 License: Expiration; renewal; automatic suspension for failure to renew on or before renewal date; demonstration of financial responsibility; reinstatement; cancellation; exceptions for reinstatement of license automatically suspended during active military duty.

- 1. Each license issued under the provisions of this chapter expires 2 years after the date on which it is issued, except that the Board may by regulation prescribe shorter or longer periods and prorated fees to establish a system of staggered biennial renewals. Any license which is not renewed on or before the date for renewal is automatically suspended.
- 2. Except as otherwise provided in subsection 5, a license may be renewed by submitting to the Board:



- (a) An application for renewal;
- (b) The fee for renewal fixed by the Board;
- (c) Any assessment required pursuant to NRS 624.470 if the holder of the license is a residential contractor as defined in NRS 624.450; and
 - (d) All information required to complete the renewal.
- 3. The Board may require a licensee to demonstrate financial responsibility at any time through the submission of:
 - (a) A financial statement that is:
 - (1) Prepared by an independent certified public accountant; or
- (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and
- (b) If the licensee performs residential construction, such additional documentation as the Board deems appropriate.
- 4. Except as otherwise provided in subsection 5, if a license is automatically suspended pursuant to subsection 1, the licensee may have the license reinstated upon filing an application for renewal within 6 months after the date of suspension and paying, in addition to the fee for renewal, a fee for reinstatement fixed by the Board, if the licensee is otherwise in good standing and there are no complaints pending against the licensee. If the licensee is otherwise not in good standing or there is a complaint pending, the Board shall require the licensee to provide a current financial statement prepared by an independent certified public accountant or establish other conditions for reinstatement. An application for renewal must be accompanied by all information required to complete the renewal. A license which is not reinstated within 6 months after it is automatically suspended may be cancelled by the Board, and a new license may be issued only upon application for an original contractor's license.
- 5. If a license is automatically suspended pursuant to subsection 1 while the licensee was on active duty as a member of the Armed Forces of the United States, a reserve component thereof or the National Guard, the licensee may submit an application to the Board requesting the reinstatement of his or her license without the imposition of any penalty, punishment or disciplinary action authorized by the provisions of this chapter. The Board may reinstate the license if:
- (a) The application for reinstatement is submitted while the licensee is serving in the Armed Forces of the United States, a reserve component thereof or the National Guard; and
- (b) Except as otherwise provided in subsection 6, the application for reinstatement is accompanied by an affidavit setting forth the dates of service of the licensee and the fee for renewal fixed by the Board pursuant to subsection 2.
- 6. The Board may waive the fee for renewal of a license for a licensee specified in subsection 5 if:
- (a) The license was valid at the time the licensee was called to active duty in the Armed Forces of the United States, a reserve component thereof or the National Guard; and
- (b) The licensee provides written documentation satisfactory to the Board substantiating his or her claim of service on active duty in the Armed Forces of the United States, a reserve component thereof or the National Guard.
- (Added to NRS by <u>1969</u>, <u>943</u>; A <u>1977</u>, <u>87</u>; <u>1987</u>, <u>1140</u>; <u>1997</u>, <u>2113</u>, <u>2689</u>; <u>1999</u>, 520, 1970, 2961, 2967; 2001, 141; 2005, 1204, 1205, 2707, 2807; 2007, 860; 2019, 2035)

NRS 624.284 License: Limitation of scope; exceptions. Except as otherwise provided in subsection 4 of <u>NRS 118B.090</u> or subsection 2 of 118B.097, a contractor's license issued pursuant to this chapter does not authorize a contractor to construct or repair a mobile home, manufactured home, manufactured building or commercial coach or factory-built housing.

(Added to NRS by 1997, 212; A 2011, 102; 2019, 1612)



NRS 624.285 Termination of association of natural person qualifying by examination on behalf of another natural person or firm: Notice; replacement with qualified natural person.

- 1. If the natural person qualifying by examination on behalf of another natural person or a firm pursuant to subsection 2 of <u>NRS 624.260</u> ceases for any reason to be connected with the licensee to whom the license is issued, the licensee shall notify the Board in writing within 10 days after the cessation of association or employment. If a notice is given, the license remains in force for a reasonable length of time to be set by the Board, but not exceeding 30 days after the date of the cessation of association or employment.
- 2. The licensee shall replace the person originally qualified with another natural person similarly qualified and approved by the Board within the time limited by subsection 1, unless extended by the Board for good cause.
- 3. If the licensee fails to notify the Board within the 10-day period the license must be automatically suspended. The license must be reinstated upon the replacement of the person originally qualified by another natural person similarly qualified and approved by the Board.
- 4. If the licensee fails to replace the person originally qualified within the 30-day period, the license may be suspended or revoked.

(Added to NRS by 1967, 1595; A 1987, 613)

NRS 624.288 Display of name and license on motor vehicle. A licensee shall display on each commercial motor vehicle registered under the licensee's name, his or her name and the number of his or her license, in letters and numbers approximately 1 1/2 inches high.

(Added to NRS by 1987, 1101)

HEARINGS

NRS 624.291 Hearing required if Board suspends or revokes license, has probable cause to believe that person has engaged in unlawful advertising or imposes administrative fine for unlicensed actions; exception.

- 1. Except as otherwise provided in subsection 4, if the Board suspends or revokes a license, has probable cause to believe that a person has violated <u>NRS 624.720</u> or imposes an administrative fine pursuant to <u>NRS 624.710</u>, the Board shall hold a hearing. The time and place for the hearing must be fixed by the Board, and notice of the time and place of the hearing must be personally served on the applicant or accused or mailed to the last known address of the applicant or accused at least 21 days before the date fixed for the hearing.
- 2. The testimony taken pursuant to <u>NRS 624.170</u> to <u>624.210</u>, inclusive, must be considered a part of the record of the hearing before the Board.
- 3. Except as otherwise provided in <u>NRS 622.320</u>, the hearing must be public if a request is made therefor.
- 4. The Board may suspend the license of a contractor without a hearing if the Board finds, based upon evidence in its possession, that the public health, safety or welfare imperatively requires summary suspension of the license of the contractor and incorporates that finding in its order. If the Board summarily suspends the license of the contractor, the Board must notify the contractor by certified mail. A hearing must be held within 60 days after the suspension if the contractor submits a written request for a hearing to the Board within 20 days after the Board summarily suspends the license.

[5:Art. IV:186:1941; A <u>1955, 378</u>] — (NRS A <u>1977, 87</u>; <u>1995, 928</u>; <u>1997, 2691</u>; <u>1999, 2183, 2858</u>; <u>2001, 2414</u>; <u>2003, 3422</u>)



DISCIPLINARY AND OTHER ACTIONS

General Provisions

NRS 624.295 Member of Board authorized to inform Executive Officer of allegation of ground for disciplinary action; action by Executive Officer. If a member of the Board becomes aware that any one or a combination of the grounds for initiating disciplinary action may exist as to a contractor in this State, the member of the Board may inform the Executive Officer of the Board of the allegations. The Executive Officer, upon receiving such information, shall take such actions as he or she deems appropriate under the circumstances.

(Added to NRS by 1995, 926; A 1999, 2962)

NRS 624.300 Disciplinary actions against licensee; private reprimands prohibited; orders imposing discipline deemed public records; deposit of fines in Construction Education Account.

- 1. Except as otherwise provided in subsections 3 and 5, the Board may:
- (a) Suspend or revoke licenses already issued;
- (b) Refuse renewals of licenses;
- (c) Impose limits on the field, scope and monetary limit of the license;
- (d) Impose an administrative fine of not more than \$10,000;
- (e) Order a licensee to repay to the account established pursuant to <u>NRS 624.470</u>, any amount paid out of the account pursuant to <u>NRS 624.510</u> as a result of an act or omission of that licensee:
- (f) Order the licensee to take action to correct a condition resulting from an act which constitutes a cause for disciplinary action, at the licensee's cost, that may consist of requiring the licensee to:
 - (1) Perform the corrective work himself or herself;
 - (2) Hire and pay another licensee to perform the corrective work; or
 - (3) Pay to the owner of the construction project a specified sum to correct the condition;
- (g) Issue a public reprimand or take other less severe disciplinary action, including, without limitation, increasing the amount of the surety bond or cash deposit of the licensee,
- → if the licensee commits any act which constitutes a cause for disciplinary action.
- 2. If the Board suspends or revokes the license of a contractor for failure to establish financial responsibility, the Board may, in addition to any other conditions for reinstating or renewing the license, require that each contract undertaken by the licensee for a period to be designated by the Board, not to exceed 12 months, be separately covered by a bond or bonds approved by the Board and conditioned upon the performance of and the payment of labor and materials required by the contract.
 - 3. If a licensee violates:
- (a) The provisions of <u>NRS 624.3014</u>, subsection 2 or 3 of <u>NRS 624.3015</u>, subsection 1 of <u>NRS 624.302</u> or subsection 1 of <u>NRS 624.305</u>, the Board may impose for each violation an administrative fine in an amount that is not more than \$50,000.
 - (b) The provisions of subsection 4 of NRS 624.3015:
- (1) For a first offense, the Board shall impose an administrative fine of not less than \$1,000 and not more than \$50,000, and may suspend the license of the licensee for 6 months;
- (2) For a second offense, the Board shall impose an administrative fine of not less than \$5,000 and not more than \$50,000, and may suspend the license of the licensee for 1 year; and
- (3) For a third or subsequent offense, the Board shall impose an administrative fine of not less than \$10,000 and not more than \$50,000, and may revoke the license of the licensee.
- (c) The provisions of subsection 7 of <u>NRS 624.302</u>, the Board shall, in addition to any other disciplinary action taken pursuant to this section, impose an administrative fine of \$1,000.



- 4. The Board shall, by regulation, establish standards for use by the Board in determining the amount of an administrative fine imposed pursuant to subsection 3. The standards must include, without limitation, provisions requiring the Board to consider:
 - (a) The gravity of the violation;
 - (b) The good faith of the licensee; and
- (c) Any history of previous violations of the provisions of this chapter committed by the licensee.
- 5. If a licensee is prohibited from being awarded a contract for a public work pursuant to <u>NRS</u> 338.017, the Board may suspend the license of the licensee for the period of the prohibition.
- 6. If a licensee commits a fraudulent act which is a cause for disciplinary action under <u>NRS</u> <u>624.3016</u>, the correction of any condition resulting from the act does not preclude the Board from taking disciplinary action.
- 7. If the Board finds that a licensee has engaged in repeated acts that would be cause for disciplinary action, the correction of any resulting conditions does not preclude the Board from taking disciplinary action pursuant to this section.
- 8. The expiration of a license by operation of law or by order or decision of the Board or a court, or the voluntary surrender of a license by a licensee, does not deprive the Board of jurisdiction to proceed with any investigation of, or action or disciplinary proceeding against, the licensee or to render a decision suspending or revoking the license.
 - 9. The Board shall not issue a private reprimand to a licensee.
- 10. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- 11. An administrative fine imposed pursuant to this section or NRS 624.341 or 624.710 plus interest at a rate that is equal to the prime rate at the largest bank in this State, as determined by the Commissioner of Financial Institutions on January 1 or July 1, as appropriate, immediately preceding the date of the order imposing the administrative fine, plus 4 percent, must be paid to the Board before the issuance or renewal of a license to engage in the business of contracting in this State. The interest must be collected from the date of the order until the date the administrative fine is paid.
- 12. All fines and interest collected pursuant to this section must be deposited with the State Treasurer for credit to the Construction Education Account created pursuant to NRS 624.580.

[4:Art. IV:186:1941; A <u>1955, 378</u>] — (NRS A <u>1963, 696</u>; <u>1967, 1043, 1594</u>; <u>1969, 939</u>; <u>1979, 320</u>; <u>1993, 884</u>; <u>1995, 234, 2544, 2545</u>; <u>1997, 2690</u>; <u>1999, 1447, 1971, 2962, 2967</u>; <u>2001, 2414</u>; <u>2003, 173, 1901, 2143, 3422</u>; <u>2005, 1205</u>; <u>2007, 649</u>; <u>2011, 1884</u>)

Grounds for Disciplinary Action

NRS 624.301 Abandonment or failure or refusal to complete or prosecute diligently project for construction; failure or refusal to comply with terms of contract or written warranty. The following acts, among others, constitute cause for disciplinary action under NRS 624.300:

- 1. Abandonment without legal excuse of any construction project or operation.
- 2. Abandonment of a construction project when the percentage of the project completed is less than the percentage of the total price of the contract paid to the contractor at the time of abandonment, unless the contractor is entitled to retain the amount paid pursuant to the terms of the contract or the contractor refunds the excessive amount paid within 30 days after the abandonment of the project.
- 3. Failure in a material respect to complete any construction project or operation for the price stated in the contract for the project or operation or any modification of the contract.
- 4. Failure or refusal without legal excuse to prosecute a construction project or operation with reasonable diligence.



5. Failure or refusal without legal excuse on the part of a licensee to comply with the terms of a construction contract or written warranty.

(Added to NRS by 1969, 940; A 1979, 320; 1999, 2963; 2019, 2284)

NRS 624.3011 Disregard of plans, specifications, laws or regulations.

- 1. The following acts, among others, constitute cause for disciplinary action under \underline{NRS} 624.300:
- (a) Willful and prejudicial departure from or disregard of plans or specifications in any material respect without the consent of the owner or the owner's authorized representative and the person entitled to have the particular construction project or operation completed in accordance with the plans and specifications.
 - (b) Willful or deliberate disregard and violation of:
 - (1) The building laws of the State or of any political subdivision thereof.
 - (2) The safety laws or labor laws of the State.
- (3) Any provision of the Nevada health and safety laws or the regulations adopted thereunder relating to the digging, boring or drilling of water wells.
 - (4) The laws of this State regarding industrial insurance.
- 2. If a contractor performs construction without obtaining any necessary building permit, there is a rebuttable presumption that the contractor willfully and deliberately violated the building laws of this State or of its political subdivisions.

(Added to NRS by 1969, 941; A 1983, 541; 1987, 1101; 1995, 2545; 1999, 2964)

NRS 624.3012 Diversion of money or property; failure to pay for materials or services; false denial of amount due, or validity of claim of amount due, for materials or services; failure to release lien against property to be improved. The following acts, among others, constitute cause for disciplinary action under NRS 624.300:

- 1. Diversion of money or property received for the completion of a specific construction project or operation or for a specified purpose in the completion of any construction project or operation to any other construction project or operation, obligation or purpose.
- 2. Willful or deliberate failure by any licensee or agent or officer thereof to pay any money when due for any materials or services rendered in connection with the licensee's operations as a contractor, when the licensee has the capacity to pay or has received sufficient money therefor as payment for the particular construction work, project or operation for which the services or materials were rendered or purchased.
- 3. The false denial by any licensee or agent or officer thereof of any amount due, or the validity of the claim thereof, for any materials or services rendered in connection with the licensee's operations as a contractor, when the licensee has the capacity to pay or has received sufficient money therefor as payment for the particular construction work, project or operation for which the services or materials were rendered or purchased, with intent to secure a discount upon such indebtedness or with intent to injure, delay or defraud the person to whom such indebtedness is due.
- 4. Failure to obtain the discharge or release of any lien recorded against the property to be improved by a construction project for the price of any materials or services rendered to the project by order of the contractor, when the contractor has received sufficient money therefor as payment for the project, within 75 days after the recording of the lien.

(Added to NRS by 1969, 941; A 1999, 2964; 2009, 765)

NRS 624.3013 Failure to keep records or maintain bond; misrepresentation or omission; failure to establish financial responsibility or comply with law or regulations of Board. The following acts, among others, constitute cause for disciplinary action pursuant to NRS 624.300:



- 1. Failure to keep records showing all contracts, documents, receipts and disbursements by a licensee of all of the licensee's transactions as a contractor and to keep them open for inspection by the Board or Executive Officer for a period of not less than 3 years after the completion of any construction project or operation to which the records refer.
- 2. Misrepresentation or omission of a material fact by an applicant or licensee in connection with any information or evidence furnished the Board in connection with official matters of the Board.
- 3. Failure to establish financial responsibility pursuant to <u>NRS</u> <u>624.220</u> and <u>624.260</u> to <u>624.265</u>, inclusive, at the time of renewal of the license or at any other time when required by the Board.
- 4. Failure to keep in force the bond or cash deposit pursuant to <u>NRS 624.270</u> for the full period required by the Board.
- 5. Failure in any material respect to comply with the provisions of this chapter or the regulations of the Board.

(Added to NRS by 1969, 941; A 1971, 182; 1985, 1053; 1987, 217; 1999, 2965; 2015, 390)

NRS 624.3014 Misuse of license; evasion of law. The following acts, among others, constitute cause for disciplinary action under NRS 624.300:

- 1. Acting in the capacity of a contractor under any license issued hereunder except:
- (a) In the name of the licensee as set forth upon the license.
- (b) As an employee of the licensee as set forth in the application for such license or as later changed pursuant to this chapter and the rules and regulations of the Board.
 - 2. With the intent to evade the provisions of this chapter:
 - (a) Aiding or abetting an unlicensed person to evade the provisions of this chapter.
 - (b) Combining or conspiring with an unlicensed person to perform an unauthorized act.
 - (c) Allowing a license to be used by an unlicensed person.
 - (d) Acting as agent, partner or associate of an unlicensed person.
 - (e) Furnishing estimates or bids to an unlicensed person.
- (f) Soliciting a bid or estimate from a person known by the licensee to be unlicensed pursuant to this chapter.
- 3. Any attempt by a licensee to assign, transfer or otherwise dispose of a license or permit the unauthorized use thereof.

(Added to NRS by 1969, 941; A 2015, 390)

NRS 624.3015 Acting beyond scope of license; bidding on work in excess of limit or beyond scope of license; contracting with unlicensed contractor; constructing or repairing mobile home, manufactured home, manufactured building or commercial coach or factory-built housing; engaging in work that requires license while license is inactive. The following acts, among others, constitute cause for disciplinary action under NRS 624.300:

- 1. Acting in the capacity of a contractor beyond the scope of the license.
- 2. Bidding to contract or contracting for a sum for one construction contract or project in excess of the limit placed on the license by the Board.
- 3. Knowingly bidding to contract or entering into a contract with a contractor for work in excess of his or her limit or beyond the scope of his or her license.
 - 4. Knowingly entering into a contract with a contractor while that contractor is not licensed.
- 5. Constructing or repairing a mobile home, manufactured home, manufactured building or commercial coach or factory-built housing unless the contractor:
 - (a) Is licensed pursuant to NRS 489.311;
- (b) Owns, leases or rents the mobile home, manufactured home, manufactured building, commercial coach or factory-built housing; or



- (c) Is authorized to perform the work pursuant to subsection 4 of <u>NRS 118B.090</u> or subsection 2 of NRS 118B.097.
- 6. Engaging in any work or activities that require a contractor's license while the license is placed on inactive status pursuant to <u>NRS 624.282</u>.

(Added to NRS by <u>1969</u>, <u>942</u>; A <u>1979</u>, <u>319</u>; <u>1981</u>, <u>634</u>; <u>1997</u>, <u>213</u>; <u>1999</u>, <u>2182</u>; <u>2007</u>, <u>651</u>; <u>2009</u>, <u>1935</u>; <u>2019</u>, <u>1612</u>)

NRS 624.3016 Fraudulent or deceitful acts; criminal conviction; improper acts involving liens; improper acts involving residential pools and spas; failure to make required disclosure; failure to pay assessment; improper acts involving contract for public work; failure to notify Board of certain information; failure to provide or respond to claim made under builder's warranty. The following acts or omissions, among others, constitute cause for disciplinary action under NRS 624.300:

- 1. Any fraudulent or deceitful act committed in the capacity of a contractor, including, without limitation, misrepresentation or the omission of a material fact.
- 2. A conviction of a violation of <u>NRS 624.730</u>, or a conviction in this State or any other jurisdiction of a felony relating to the practice of a contractor or a crime involving moral turpitude.
- 3. Knowingly making a false statement in or relating to the recording of a notice of lien pursuant to the provisions of NRS 108.226.
 - 4. Failure to give a notice required by NRS 108.227, 108.245, 108.246 or 624.520.
- 5. Failure to comply with NRS 624.920, 624.930, 624.935 or 624.940 or any regulations of the Board governing contracts for work concerning residential pools and spas.
 - 6. Failure to comply with NRS 624.600.
- 7. Misrepresentation or the omission of a material fact, or the commission of any other fraudulent or deceitful act, to obtain a license.
 - 8. Failure to pay an assessment required pursuant to NRS 624.470.
 - 9. Failure to file a certified payroll report that is required for a contract for a public work.
- 10. Knowingly submitting false information in an application for qualification or a certified payroll report that is required for a contract for a public work.
- 11. Failure to notify the Board of a conviction or entry of a plea of guilty, guilty but mentally ill or nolo contendere pursuant to NRS 624.266.
- 12. Failure to provide a builder's warranty as required by <u>NRS 624.602</u> or to respond reasonably to a claim made under a builder's warranty.

(Added to NRS by <u>1969, 942</u>; A <u>1983, 510</u>; <u>1997, 2690</u>; <u>1999, 1972</u>, <u>2965, 2967</u>; <u>2001, 141</u>; <u>2003, 2144</u>, <u>2618</u>, <u>2704</u>; <u>2005, 1207</u>, <u>2387</u>; <u>2011, 1883</u>; <u>2019, 2284</u>)

NRS 624.30165 Unfair business practices: Misrepresentations involving need for service, replacement parts, equipment or repairs; false or misleading statements. The following acts, among others, are unfair business practices and constitute cause for disciplinary action under NRS 624.300:

- 1. When a contractor states that service, replacement parts, equipment or repairs are needed when such service, replacement parts, equipment or repairs actually are not needed.
- 2. When a contractor makes any false or misleading statement or representation of material fact that is intended, directly or indirectly, to induce another person to use the services of the contractor or to enter into any contract with the contractor or any obligation relating to such a contract.
- 3. When a contractor makes any false or misleading statement or representation of material fact that is intended, directly or indirectly, to disparage the goods, services or business of another person.

(Added to NRS by 2005, 1200)



NRS 624.3017 Substandard workmanship; incomplete advertising; advertising projects beyond scope of license. The following acts, among others, constitute cause for disciplinary action under NRS 624.300:

- 1. Workmanship which is not commensurate with standards of the trade in general or which is below the standards in the building or construction codes adopted by the city or county in which the work is performed. If no applicable building or construction code has been adopted locally, then workmanship must meet the standards prescribed in the *Uniform Plumbing Code*, *National Electrical Code*, *International Building Code* or *International Residential Code* in the form of the code most recently approved by the Board. The Board shall review each edition of the *Uniform Plumbing Code*, *National Electrical Code*, *International Building Code* or *International Residential Code* that is published after the 1996 edition to ensure its suitability. Each new edition of the code shall be deemed approved by the Board unless the edition is disapproved by the Board within 60 days of the publication of the code.
- 2. Advertising projects of construction without including in the advertisements the name and license number of the licensed contractor who is responsible for the construction.
- 3. Advertising projects of construction beyond the scope of the license. (Added to NRS by 1969, 942; A 1985, 375, 1053; 1987, 217; 1997, 2691; 1999, 2856; 2015, 2008)

NRS 624.30175 Suspension of license for failure to pay child support or comply with certain subpoenas or warrants; reinstatement of license. [Effective until 2 years after the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]

- 1. If the Board receives a copy of a court order issued pursuant to <u>NRS 425.540</u> that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a contractor's license, the Board shall deem the license issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Board receives a letter issued to the holder of the license by the district attorney or other public agency pursuant to <u>NRS 425.550</u> stating that the holder of the license has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- 2. The Board shall reinstate a contractor's license that has been suspended by a district court pursuant to NRS 425.540 if the Board receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose license was suspended stating that the person whose license was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

(Added to NRS by 1997, 2112; A 2005, 2807)

NRS 624.3018 Certain persons prohibited from serving as officer, director, associate or partner of licensee.

- 1. Any person who:
- (a) Has been denied a license or who has had a license revoked or suspended or who has been denied a renewal of a license; or
- (b) Has been a member, officer, director or associate of any partnership, corporation, firm or association whose application for a license has been denied, or whose license has been revoked or suspended or which has been denied a renewal of a license, and while acting as such member, officer, director or associate had knowledge of or participated in any of the prohibited acts for which the license or the renewal thereof was denied, suspended or revoked,
- may be prohibited from serving as an officer, director, associate or partner of a licensee.



2. The performance by any partnership, corporation, firm or association of any act or omission constituting a cause for disciplinary action likewise constitutes a cause for disciplinary action against any licensee who is a member, officer, director or associate of such partnership, corporation, firm or association, and who participated in such prohibited act or omission.

(Added to NRS by 1969, 942; A 1975, 1161)

NRS 624.302 Contracting, offering to contract or submitting bid if license is suspended, revoked or inactive; failure to comply with written citation or pay administrative fine; suspension or revocation of license in other state or disciplinary action in other state; failure or refusal to respond to or comply with written requests of Board; failure or refusal to comply with order of Board. The following acts or omissions, among others, constitute cause for disciplinary action pursuant to NRS 624.300:

- 1. Contracting, offering to contract or submitting a bid as a contractor if the contractor's license:
 - (a) Has been suspended or revoked pursuant to NRS 624.300; or
 - (b) Is inactive.
- 2. Failure to comply with a written citation issued pursuant to <u>NRS 624.341</u> within the time permitted for compliance set forth in the citation, or, if a hearing is held pursuant to <u>NRS 624.291</u>, within 15 business days after the hearing.
- 3. Except as otherwise provided in subsection 2, failure to pay an administrative fine imposed pursuant to this chapter within 30 days after:
 - (a) Receiving notice of the imposition of the fine; or
- (b) The final administrative or judicial decision affirming the imposition of the fine, → whichever occurs later.
- 4. The suspension, revocation or other disciplinary action taken by another state against a contractor based on a license issued by that state if the contractor is licensed in this State or applies for a license in this State. A certified copy of the suspension, revocation or other disciplinary action taken by another state against a contractor based on a license issued by that state is conclusive evidence of that action.
- 5. Failure or refusal to respond to a written request from the Board or its designee to cooperate in the investigation of a complaint.
- 6. Failure or refusal to comply with a written request by the Board or its designee for information or records, or obstructing or delaying the providing of such information or records.
 - 7. Failure or refusal to comply with an order of the Board. (Added to NRS by 1999, 2953; A 2001, 213; 2011, 1886)

NRS 624.305 Unlawful use, assignment or transfer of license; revocation of license.

- 1. No license may be used for any purpose by any person other than the person to whom such license is issued, and no license may be assigned, transferred or otherwise disposed of to permit the unauthorized use thereof.
- 2. The license of any person who violates any provision of this section shall be automatically cancelled and revoked.

(Added to NRS by 1959, 868)



Proceedings

NRS 624.320 Allegation and proof of license in action on contract. No person, firm, copartnership, corporation, association or other organization, or any combination of any thereof, engaged in the business or acting in the capacity of a contractor shall bring or maintain any action in the courts of this State for the collection of compensation for the performance of any act or contract for which a license is required by this chapter without alleging and proving that such person, firm, copartnership, corporation, association or other organization, or any combination of any thereof, was a duly licensed contractor at all times during the performance of such act or contract and when the job was bid.

[3:Art. VII:186:1941; Added 1943, 83; A 1953, 521]

NRS 624.323 Licensee subject to disciplinary proceeding must submit financial statement and other information to Board; authority of Board to take certain actions to protect public.

- 1. In addition to any other requirements set forth in this chapter, if an investigation is conducted against a licensee and the Board determines that there is cause to proceed with a formal disciplinary proceeding against the licensee, the Board shall require the licensee to submit to the Board:
 - (a) A financial statement that is:
 - (1) Prepared by an independent certified public accountant; or
- (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and
- (b) A statement setting forth the number of building permits issued to and construction projects completed by the licensee during the immediately preceding year and any other information required by the Board. The statement submitted pursuant to this paragraph must be provided on a form approved by the Board.
- 2. After providing the licensee with notice and an opportunity to be heard, the Board must determine whether, based on the financial information concerning the licensee, it would be in the public interest to do any or all of the following:
- (a) Require the licensee to obtain the services of a construction control with respect to any money that the licensee requires a purchaser of a new residence to pay in advance to make upgrades to the new residence. If the Board imposes such a requirement, the licensee may not:
- (1) Be related to the construction control or to an employee or agent of the construction control: or
- (2) Hold, directly or indirectly, a financial interest in the business of the construction control.
- (b) Establish an aggregate monetary limit on the contractor's license, which must be the maximum combined monetary limit on all contracts that the licensee may undertake or perform as a licensed contractor at any one time, regardless of the number of contracts, construction sites, subdivision sites or clients. If the Board establishes such a limit, the Board:
 - (1) Shall determine the period that the limit is in effect; and
- (2) During that period, may increase or decrease the limit as the Board deems appropriate.
- 3. The provisions of this section do not limit the authority of the Board to take disciplinary action against the licensee.

(Added to NRS by 2003, 1898; A 2005, 1207)

NRS 624.327 Certain records relating to investigation deemed confidential; certain records relating to disciplinary action deemed public records.

1. Except as otherwise provided in this section and <u>NRS 239.0115</u>, the existence of and the personally identifying information in a complaint filed with the Board, all documents and other



information filed with the complaint and all documents and other information compiled as a result of the investigation conducted to determine whether to initiate disciplinary action are confidential.

2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.

(Added to NRS by 2003, 1898, 3422; A 2007, 861, 2132)

NRS 624.331 Complaint against licensee must be written and filed within certain period; Board must act on complaint within certain period.

- 1. A complaint against a licensee for the commission of any act or omission that constitutes cause for disciplinary action pursuant to <u>NRS 624.300</u> must be filed in writing with the Board within 4 years after the act or omission.
- 2. The Board shall, within 2 years after the date on which the complaint is filed, initiate disciplinary action against the licensee or dismiss the complaint.

(Added to NRS by 1999, 2954; A 2007, 861)

NRS 624.335 Investigation of complaint by Investigations Office; notification of actions taken; resolution of complaint by Investigations Office; forwarding of complaint to appropriate agency for resolution.

- 1. The Investigations Office of the Board shall:
- (a) Upon the receipt of a complaint against a licensee, initiate an investigation of the complaint.
- (b) Within 10 days after receiving such a complaint, notify the licensee and, if known, the person making the complaint of the initiation of the investigation, and provide a copy of the complaint to the licensee.
- (c) Upon the completion of its investigation of a complaint, provide the licensee and, if known, the person making the complaint with written notification of any action taken on the complaint and the reasons for taking that action.
 - 2. The Investigations Office of the Board may attempt to resolve the complaint by:
 - (a) Meeting and conferring with the licensee and the person making the complaint; and
 - (b) Requesting the licensee to provide appropriate relief.
- 3. If the subject matter of the complaint is not within the jurisdiction of the Board, the Board or its designee may:
- (a) Forward the complaint, together with any evidence or other information in the possession of the Board concerning the complaint, to any public or private agency which, in the opinion of the Board, would be effective in resolving the complaint; and
- (b) Notify the person making the complaint of its action pursuant to paragraph (a) and of any other procedures which may be available to resolve the complaint.

(Added to NRS by 1999, 2951; A 2003, 1902)

NRS 624.341 Administrative citation; order to take corrective action; penalty.

- 1. If the Board or its designee, based upon a preponderance of the evidence, has reason to believe that a person has:
- (a) Acted as a contractor without an active license of the proper classification issued pursuant to this chapter, the Board or its designee, as appropriate, shall issue or authorize the issuance of a written administrative citation to the person. For the purposes of this section, a person shall be deemed to have an active license of the proper classification if the person has an active license and is performing work in conformity with the requirements of subsection 4 of <u>NRS 624.220</u>.
- (b) Committed any other act which constitutes a violation of this chapter or the regulations of the Board, the Board or its designee, as appropriate, may issue or authorize the issuance of a written administrative citation to the person.



- 2. A citation issued pursuant to this section may include, without limitation:
- (a) An order to take action to correct a condition resulting from an act that constitutes a violation of this chapter or the regulations of the Board, at the person's cost;
- (b) An order to pay an administrative fine not to exceed \$50,000, except as otherwise provided in subsection 1 of NRS 624.300; and
- (c) An order to reimburse the Board for the amount of the expenses incurred to investigate the complaint.
- 3. If a written citation issued pursuant to this section includes an order to take action to correct a condition resulting from an act that constitutes a violation of this chapter or the regulations of the Board, the citation must state the time permitted for compliance, which must be not less than 15 business days after the date the person receives the citation, and specifically describe the action required to be taken.
- 4. The sanctions authorized by this section are separate from, and in addition to, any other remedy, civil or criminal, authorized by this chapter.
- 5. The failure of an unlicensed person to comply with a citation or order after it is final is a misdemeanor. If an unlicensed person does not pay an administrative fine imposed pursuant to this section within 60 days after the order of the Board becomes final, the order may be executed upon in the same manner as a judgment issued by a court.

(Added to NRS by 1999, 2951; A 2007, 861; 2011, 489; 2019, 1608)

NRS 624.345 Contest of administrative citation or order to cease and desist: Time limit; effect of failure to contest citation or order within time limit; extension of time to contest citation or order; service of citation or order.

- 1. A person who is issued a written citation pursuant to <u>NRS 624.341</u> or an order to cease and desist pursuant to <u>NRS 624.212</u> may contest the citation or order within 15 business days after the date on which the citation or order is served on the person.
 - 2. A person may contest, without limitation:
- (a) The facts forming the basis for the determination that the person has committed an act which constitutes a violation of this chapter or the regulations of the Board;
 - (b) The time allowed to take any corrective action ordered;
 - (c) The amount of any administrative fine ordered;
- (d) The amount of any order to reimburse the Board for the expenses incurred to investigate the person; and
 - (e) Whether any corrective action described in the citation or order is reasonable.
- 3. If a person does not contest a citation issued pursuant to <u>NRS 624.341</u> or an order to cease and desist issued pursuant to <u>NRS 624.212</u> within 15 business days after the date on which the citation or order is served on the person, or on or before such later date as specified by the Board pursuant to subsection 4, the citation or order shall be deemed a final order of the Board and not subject to review by any court or agency.
- 4. The Board may, for good cause shown, extend the time to contest a citation issued pursuant to NRS 624.341 or an order to cease and desist issued pursuant to NRS 624.212.
 - 5. For the purposes of this section:
 - (a) An order to cease and desist must be served in accordance with NRS 624.212.
 - (b) A citation shall be deemed to have been served on a person on:
 - (1) The date on which the citation is personally delivered to the person; or
- (2) If the citation is mailed, the date on which the citation is mailed by certified mail to the last known business or residential address of the person.

(Added to NRS by 1999, 2952; A 2007, 862; 2019, 157)

NRS 624.351 Contest of administrative citation or order to correct violation: Hearing. If a person contests a citation issued pursuant to NRS 624.341 or order to correct a violation of the



provisions of this chapter within 15 business days after receiving the citation or order, or on or before such later date as specified by the Board pursuant to subsection 4 of <u>NRS 624.345</u>, the Board shall hold a hearing pursuant to <u>NRS 624.291</u>.

(Added to NRS by 1999, 2952; A 2007, 862)

NRS 624.355 Annual review of complaints by Board; report to Governor and Legislature; duty to inform public.

- 1. On or before September 1 of each even-numbered year, the Board or its designee shall:
- (a) Review the complaints received by the Board to ascertain whether there are any similarities or common trends among any of those complaints;
- (b) Prepare a written summary that identifies potential difficulties in the regulation of contractors and the protection of the public pursuant to this chapter; and
 - (c) Report any findings and recommendations for legislation to:
 - (1) The Governor; and
- (2) The Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.
- 2. The Board shall take such action as is necessary to keep the public informed of its activities pursuant to this section.

(Added to NRS by 1999, 2953)

NRS 624.361 Regulations. The Board shall adopt regulations concerning the:

- 1. Form of a written citation issued pursuant to NRS 624.341;
- 2. Time required for a person to correct a condition resulting from an act that constitutes a violation of this chapter or the regulations of the Board if the person is so ordered pursuant to NRS 624.341; and
- 3. Imposition of an administrative fine pursuant to the provisions of this chapter. The Board shall consider:
 - (a) The gravity of the violation;
 - (b) The good faith of the person; and
 - (c) Any history of previous violations of the provisions of this chapter by the person.

(Added to NRS by 1999, 2952; A 2007, 863)

RECOVERY FUND

NRS 624.400 Definitions. As used in <u>NRS 624.400</u> to <u>624.560</u>, inclusive, unless the context otherwise requires, the words and terms defined in <u>NRS 624.410</u> to <u>624.460</u>, inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by 1999, 1967; A 2001, 141)

NRS 624.410 "Account" defined. "Account" means the account established pursuant to NRS 624.470.

(Added to NRS by 1999, 1967; A 2001, 141)

NRS 624.420 "Injured person" defined. "Injured person" means an owner who:

- 1. Is damaged by the failure of a residential contractor to perform qualified services adequately; or
 - 2. Pays to obtain a release of a lien:
 - (a) Which is recorded:
- (1) For the value of any materials or services rendered in connection with a construction project; and
 - (2) Against property to be improved by the project; and
 - (b) When a licensee or agent or officer thereof:



- (1) Willfully or deliberately fails to pay any money when due for the materials or services; and
 - (2) Has received sufficient money as payment for the materials or services. (Added to NRS by 1999, 1967; A 2001, 141; 2009, 766)
- NRS 624.430 "Owner" defined. "Owner" means a natural person who owns a single-family residence and who contracts with a residential contractor for the performance of qualified services with respect to the residence. The term includes a subsequent owner.

(Added to NRS by 1999, 1967; A 2001, 141)

NRS 624.440 "Qualified services" defined. "Qualified services" means any construction, remodeling, repair or improvement performed by a residential contractor on a single-family residence occupied by the owner of the residence.

(Added to NRS by 1999, 1967; A 2001, 141)

NRS 624.450 "Residential contractor" defined. "Residential contractor" means a contractor who is licensed pursuant to this chapter and who contracts with the owner of a single-family residence to perform qualified services.

(Added to NRS by 1999, 1967; A 2001, 141)

NRS 624.460 "Subsequent owner" defined. "Subsequent owner" means a natural person who purchases a single-family residence from the owner of the residence.

(Added to NRS by 1999, 1967; A 2001, 141)

NRS 624.470 Establishment of account; reference to account as "Recovery Fund"; collection of biennial assessment; reduction in amount of assessment under certain circumstances; use of money in account.

1. Except as otherwise provided in subsection 3, in addition to the fee for a license required pursuant to <u>NRS 624.280</u>, a residential contractor shall pay to the Board an assessment not to exceed the following amount, if the monetary limit on the residential contractor's license is:

Not more than \$1,000,000	\$200 per biennium
More than \$1,000,000 but limited	500 per biennium
Unlimited	1,000 per biennium

- 2. The Board shall administer and account separately for the money received from the assessments collected pursuant to subsection 1. The Board may refer to the money in the account as the "Recovery Fund."
- 3. The Board shall reduce the amount of the assessments collected pursuant to subsection 1 when the balance in the account reaches 150 percent of the largest balance in the account during the previous fiscal year.
- 4. Except as otherwise provided in <u>NRS 624.540</u>, the money in the account must be used to pay claims made by injured persons, as provided in <u>NRS 624.400</u> to <u>624.560</u>, inclusive.

(Added to NRS by 1999, 1967; A 2003, 1902; 2007, 863; 2009, 766)

NRS 624.480 Limitation on time to file complaint seeking recovery. Except as otherwise provided in NRS 624.490, an injured person who wishes to recover from the account must file a complaint with the Board or its designee within 4 years after the completion of qualified services. (Added to NRS by 1999, 1968)



NRS 624.490 Application to Board for satisfaction of judgment from account. Within 2 years after an injured person has obtained a judgment in any court of competent jurisdiction for recovery of damages against a residential contractor for an act or omission of the residential contractor that is in violation of this chapter or the regulations adopted pursuant thereto, the injured person may apply to the Board for satisfaction of the judgment from the account if:

- 1. The proceedings in connection with the judgment have terminated, including appeals;
- 2. The injured person submits an application on a form established for this purpose by the Board:
 - 3. The injured person submits proof satisfactory to the Board of the judgment; and
- 4. Upon obtaining payment from the account, the injured person assigns his or her rights to enforce the judgment to the Board.

(Added to NRS by 1999, 1968)

NRS 624.500 Hearing on complaint; limitation on time for acting on complaint.

- 1. The Board or its designee shall hold a hearing if the Board receives a complaint pursuant to NRS 624.480. The time and place for the hearing must be fixed by the Board or its designee, and the Board or its designee shall notify the injured person in writing of the time and place of the hearing at least 30 days before the date fixed for the hearing.
- 2. Any testimony taken pursuant to <u>NRS 624.170</u> to <u>624.210</u>, inclusive, must be considered a part of the record of the hearing before the Board or its designee.
 - 3. The hearing must be public if a request is made for a public hearing.
- 4. The Board or its designee shall act upon the complaint within 6 months after the complaint is filed with the Board.

(Added to NRS by 1999, 1968)

NRS 624.510 Eligibility for recovery from account; restrictions; maximum amount of individual recovery from account; Board subrogated to rights of injured person; maximum amount of recovery from account for claims against individual contractor.

- 1. Except as otherwise provided in <u>NRS 624.490</u> and subsection 2, an injured person is eligible for recovery from the account if the Board or its designee finds that the injured person suffered actual damages as a result of an act or omission of a residential contractor that is in violation of this chapter or the regulations adopted pursuant thereto.
 - 2. An injured person is not eligible for recovery from the account if:
- (a) The injured person is cohabitating with the licensee, is related to the licensee by marriage or by blood in the first or second degree of consanguinity, or is a personal representative of a person cohabitating with the licensee or related to the licensee by marriage or by blood in the first or second degree of consanguinity;
- (b) The injured person was associated in a business relationship with the licensee other than the contract at issue;
- (c) At the time of contracting with the residential contractor, the license of the residential contractor was suspended or revoked pursuant to NRS 624.300;
 - (d) The injured person:
- (1) Applied for and obtained any building permit for the single-family residence at which the act or omission occurred and for which the injured person wishes to recover actual damages from the account; or
 - (2) Constructed the residence as the owner-builder of the residence;
 - (e) The claim submitted by the injured person for recovery from the account contains:
 - (1) A false or misleading statement; or
- (2) A forged or altered receipt or other document which includes an improvement, upgrade or work that exceeds the scope of the contract at issue;



- (f) The injured person is a lien claimant who has not filed a lien in accordance with the provisions of NRS 108.221 to 108.246, inclusive; or
- (g) The single-family residence at which the act or omission occurred and for which the injured person wishes to recover actual damages from the account was constructed, remodeled, repaired or improved with the intent of renting, leasing or selling the residence within 1 year after the date of completion of the construction, remodeling, repair or improvement. The offering of the residence for rent, lease or sale within 1 year after that date creates a rebuttable presumption that the construction, remodeling, repair or improvement was performed with the intent to rent, lease or sell the residence.
- 3. If the Board or its designee determines that an injured person is eligible for recovery from the account pursuant to this section or <u>NRS 624.490</u>, the Board or its designee may pay out of the account:
 - (a) The amount of actual damages suffered, but not to exceed \$40,000; or
- (b) If a judgment was obtained as set forth in <u>NRS 624.490</u>, the amount of actual damages included in the judgment and remaining unpaid, but not to exceed \$40,000.
- 4. The decision of the Board or its designee regarding eligibility for recovery and all related issues is final and not subject to judicial review.
- 5. If the injured person has recovered a portion of his or her loss from sources other than the account, the Board shall deduct the amount recovered from the other sources from the amount payable upon the claim and direct the difference to be paid from the account.
- 6. To the extent of payments made from the account, the Board is subrogated to the rights of the injured person, including, without limitation, the right to collect from a surety bond or a cash bond. The Board and the Attorney General shall promptly enforce all subrogation claims.
- 7. The amount of recovery from the account based upon claims made against any single contractor must not exceed \$750,000 or 20 percent of the account balance, as determined on the date the Board approves payment of all the claims, whichever is less.
- 8. As used in this section, "actual damages" includes attorney's fees or costs in contested cases appealed to the appellate court of competent jurisdiction. The term does not include any other attorney's fees or costs.

(Added to NRS by 1999, 1968; A 2005, 20; 2013, 1795; 2015, 2009; 2019, 36)

NRS 624.520 Contractor to notify owner of rights related to account; written statement; administrative fine for noncompliance.

1. A residential contractor shall notify an owner with whom he or she contracts of the rights of the owner pursuant to NRS 624.400 to 624.560, inclusive, including, without limitation, providing a written statement explaining those rights in any agreement or contract for qualified services. The written statement must be in substantially the following form:

RESIDENTIAL CONSTRUCTION RECOVERY FUND

Payment may be available from the Recovery Fund if you are damaged financially by a project performed on your residence pursuant to a contract, including construction, remodeling, repair or other improvements, and the damage resulted from certain specified violations of Nevada law by a contractor licensed in this State. To obtain information relating to the Recovery Fund and filing a claim for recovery from the Recovery Fund, you may contact the State Contractors' Board.



- 2. The Board may impose upon a contractor an administrative fine:
- (a) Of not more than \$100 for the first violation of subsection 1; and
- (b) Of not more than \$250 for a second or subsequent violation of subsection 1.
- 3. The Board shall deposit any money received pursuant to this section in the account established pursuant to <u>NRS 624.470</u>.

(Added to NRS by 1999, 1970; A 2019, 38)

NRS 624.530 Board retains authority to take disciplinary action against residential contractor; additional actions by Board against residential contractor.

- 1. The provisions of <u>NRS 624.400</u> to <u>624.560</u>, inclusive, do not limit the authority of the Board to take disciplinary action against a residential contractor.
- 2. If the Board or its designee finds that an owner recovered from the account an amount paid by the owner to obtain a release of a lien recorded against property to be improved by a construction project as a result of a residential contractor's act or omission as described in subsection 2 of NRS 624.3012, in addition to any disciplinary action that the Board takes against the residential contractor pursuant to subsection 1, the Board may:
 - (a) Suspend or revoke the license of the residential contractor; and
- (b) Prohibit the issuance, reinstatement or renewal of a license to the residential contractor and any officer, director, associate or partner thereof, unless the residential contractor or any officer, director, associate or partner thereof repays to the account or the owner, or both, as appropriate, any amount paid out of the account or by the owner as a result of the act or omission of the residential contractor.

(Added to NRS by 1999, 1970; A 2009, 766)

NRS 624.540 Annual statement of condition of account to Legislature; employment of necessary persons; procurement of necessary equipment, supplies and services; interest credited to account; limit on expenditures.

- 1. The Board shall:
- (a) On or before February 1 of each year, prepare and submit to the Director of the Legislative Counsel Bureau for transmittal to the appropriate legislative committee if the Legislature is in session, or to the Interim Finance Committee if the Legislature is not in session, a statement of the condition of the account that is prepared in accordance with generally accepted accounting principles.
- (b) Employ accountants as necessary for the performance of the duties set forth in this section and pay any related expenses from the money in the account. Except as otherwise provided in subsection 3, the expenditures made by the Board pursuant to this paragraph must not exceed \$10,000 in any fiscal year.
- (c) Employ or contract with persons and procure necessary equipment, supplies and services to be paid from or purchased with the money in the account as may be necessary to monitor or process claims filed by injured persons that may result in a recovery from the account.
- 2. Any interest earned on the money in the account must be credited to the account. The Board may expend the interest earned on the money in the account to increase public awareness of the account. Except as otherwise provided in subsection 3, the expenditures made by the Board for this purpose must not exceed \$50.000 in any fiscal year.
- 3. The total expenditures made by the Board pursuant to this section must not exceed 10 percent of the account in any fiscal year.

(Added to NRS by 1999, 1969)

NRS 624.550 Minimum balance in account. Once an initial balance of \$200,000 exists in the account, the Board shall maintain a minimum balance of \$200,000 in the account.

(Added to NRS by <u>1999, 1970</u>)

NRS 624.560 Regulations. The Board shall adopt such regulations as are necessary to carry out the provisions of <u>NRS 624.400</u> to <u>624.560</u>, inclusive, including, without limitation, regulations governing:

- 1. The disbursement of money from the account; and
- 2. The manner in which a complaint is filed with the Board or its designee pursuant to <u>NRS</u> 624.480.

(Added to NRS by <u>1999</u>, <u>1970</u>)

COMMISSION ON CONSTRUCTION EDUCATION

NRS 624.570 Creation; members; expenses; duties; powers; regulations.

- 1. The Commission on Construction Education is hereby created.
- 2. The Commission consists of one member who is a member of the Board and six members appointed by the Governor as follows:
 - (a) Four members who are representatives of the construction industry; and
 - (b) Two members who have knowledge of construction education programs.
 - 3. Each member of the Commission serves a term of 3 years.
- 4. The members of the Commission who are appointed by the Governor serve without compensation, per diem allowance or reimbursement for travel expenses. While engaged in the business of the Commission, the member who is a member of the Board shall receive from the Board the same salary, per diem allowance and reimbursement for travel expenses the member receives while engaged in the business of the Board.
- 5. The Commission shall review programs of education which relate to building construction and distribute grants from the Construction Education Account created pursuant to <u>NRS</u> 624.580 for programs that the Commission determines qualify for such a grant.
- 6. The Board may adopt regulations which establish the rules of procedure for meetings of the Commission.
 - 7. The Commission shall adopt regulations providing:
 - (a) Procedures for applying for a grant of money from the Construction Education Account;
- (b) Procedures for reviewing an application for a grant from the Construction Education Account: and
 - (c) Qualifications for receiving a grant from the Construction Education Account.

(Added to NRS by 2001, 2408)

NRS 624.580 Construction Education Account; administration.

- 1. There is hereby created a Construction Education Account as a separate account within the State General Fund.
 - 2. Money deposited in the Account must be used:
- (a) For the purposes of construction education and to pay the costs of the Commission on Construction Education as described in accordance with subsection 3, and in addition to any other money provided for construction education from any other source; or
 - (b) For any other purpose authorized by the Legislature.
- 3. The Commission on Construction Education shall administer the Construction Education Account and, except as otherwise provided in paragraph (b) of subsection 2, shall disburse the money in the Account as follows:
- (a) At least 95 percent of the money deposited in the Account must be used to fund programs of education which relate to building construction and which the Commission on Construction Education determines qualify for grants; and
- (b) Not more than 5 percent of the money deposited in the Account may be reserved for operating expenses incurred by the Commission on Construction Education pursuant to this section.



4. The unexpended and unencumbered balance, if any, remaining in the Construction Education Account at the end of each fiscal year, must remain in the Account.

(Added to NRS by 2001, 2409; A 2003, 173; 2010, 26th Special Session, 24)

DISCLOSURES; BUILDER'S WARRANTIES

NRS 624.600 Required disclosures by general building contractor to owner of single-family residence with whom contractor has contracted. A general building contractor shall provide in writing to the owner of a single-family residence with whom he or she has contracted:

- 1. The name, license number, business address and telephone number of:
- (a) All subcontractors with whom he or she has contracted on the project; and
- (b) All persons who furnish material of the value of \$500 or more to be used in the project.
- 2. A notice that a person described in subsection 1 may record a notice of lien upon the residence of the owner and any building, structure and improvement thereon pursuant to the provisions of <u>NRS 108.226</u>.
 - 3. An informational form, whose contents must be prescribed by the Board, regarding:
 - (a) Contractors pursuant to this chapter; and
 - (b) Mechanics' and materialmen's liens pursuant to chapter 108 of NRS.

(Added to NRS by 1997, 2686)

NRS 624.602 Required disclosure and provision of builder's warranty to purchaser by licensee who completes construction of new, single-family residence.

- 1. A licensee who completes construction of a new, single-family residence shall provide to the purchaser of the residence:
- (a) A separate, single-page disclosure describing the rights of the purchaser under this chapter, including, without limitation, the right to file a complaint pursuant to NRS 624.480 seeking recovery from the account established pursuant to NRS 624.470; and
 - (b) A builder's warranty that meets the requirements of this section.
 - 2. A builder's warranty provided by a licensee pursuant to this section must:
 - (a) Be in writing.
- (b) Be valid for a period of at least 1 year from the date of completion of a written punch list. As used in this paragraph, "punch list" means a list of any materials or work describing incomplete or incorrect installations or incidental damage to existing finishes, material and structures that do not conform to the specifications of the contract or the requirements of subsection 1 of <u>NRS</u> 624.3017.
- (c) Contain terms that include, without limitation, warrantying all home systems, workmanship, materials, plumbing, electrical and mechanical systems, appliances installed by contractors, fixtures, equipment and structural components, unless a separate warranty is provided by the manufacturer or installer of such a product, component or system.
 - (d) Be transferable to a subsequent purchaser of the residence.
- (e) Not be deemed, construed or interpreted to constitute a waiver or release of any other warranty from the licensee provided by contract or otherwise available under the laws of this State.

(Added to NRS by 2019, 2283)

NRS 624.605 Availability to contractor of names and addresses of subcontractors delinquent in payment of contributions for unemployment or industrial insurance. The Employment Security Division of the Department of Employment, Training and Rehabilitation and the Administrator of the Division of Industrial Relations of the Department of Business and Industry shall make available, upon request, to any licensed contractor the names and addresses of subcontractors who are delinquent in paying the amounts owed by the subcontractor to:

1. The Division for benefits for unemployment pursuant to chapter 612 of NRS; and



2. A private carrier that provides industrial insurance in this State for premiums for industrial insurance.

(Added to NRS by 1983, 1350; A 1993, 1890; 1995, 634, 2048; 1999, 1828)

RIGHTS, DUTIES AND LIABILITIES UNDER CERTAIN AGREEMENTS FOR WORKS OF IMPROVEMENT

General Provisions

NRS 624.606 Definitions. As used in <u>NRS 624.606</u> to <u>624.630</u>, inclusive, the words and terms defined in <u>NRS 624.607</u> to <u>624.6086</u>, inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by 2001, 1615; A 2005, 1224, 1721)

NRS 624.607 "Higher-tiered contractor" defined. "Higher-tiered contractor" means a prime contractor or subcontractor who has entered into an oral or written agreement with a lower-tiered subcontractor pursuant to which the lower-tiered subcontractor has agreed to provide work, materials or equipment for a work of improvement.

(Added to NRS by 2001, 1615; A 2005, 1721)

NRS 624.608 "Lower-tiered subcontractor" defined. "Lower-tiered subcontractor" means a subcontractor who has agreed in an oral or written agreement with a higher-tiered contractor to provide work, materials or equipment for a work of improvement.

(Added to NRS by 2001, 1615; A 2005, 1722)

NRS 624.6084 "Owner" defined.

- 1. "Owner" means an owner or lessee of real property or any improvement who enters into an oral or written agreement with a prime contractor pursuant to which the prime contractor agrees to provide work, materials or equipment for a work of improvement.
- 2. The term includes, without limitation, an owner of a planned unit development who enters into one or more oral or written agreements to construct a work of improvement in the planned unit development in the manner described in subsection 5 of <u>NRS 624.020</u>.

(Added to NRS by 2005, 1223, 1721)

NRS 624.6086 "Prime contractor" defined. "Prime contractor" means a contractor who enters into an oral or written agreement with an owner pursuant to which the prime contractor agrees to provide work, materials or equipment for a work of improvement.

(Added to NRS by 2005, 1223, 1721)

Agreements Between Owner and Prime Contractor

NRS 624.609 Payment of prime contractor during performance of agreement; grounds and procedure for withholding amounts from payment; rights and duties after notice of withholding, notice of objection or notice of correction.

- 1. Except as otherwise provided in subsections 2 and 4 and subsection 4 of <u>NRS 624.622</u>, if an owner of real property enters into a written or oral agreement with a prime contractor for the performance of work or the provision of materials or equipment by the prime contractor, the owner must:
- (a) Pay the prime contractor on or before the date a payment is due pursuant to a schedule for payments established in a written agreement; or
- (b) If no such schedule is established or if the agreement is oral, pay the prime contractor within 21 days after the date the prime contractor submits a request for payment.
 - 2. If an owner has complied with subsection 3, the owner may:



- (a) Withhold from any payment to be made to the prime contractor:
- (1) A retention amount that, if the owner is authorized to withhold a retention amount pursuant to the agreement, must not exceed 5 percent of the amount of the payment to be made;
 - (2) An amount equal to the sum of the value of:
- (I) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is being sought, unless the agreement otherwise allows or requires such a payment to be made; and
- (II) Costs and expenses reasonably necessary to correct or repair any work which is the subject of the request for payment and which is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the retention amount withheld pursuant to subparagraph (1); and
- (3) The amount the owner has paid or is required to pay pursuant to an official notice from a state agency or employee benefit trust fund, for which the owner is or may reasonably be liable for the prime contractor or his or her lower-tiered subcontractors in accordance with <u>chapter</u> 608, 612, 616A to 616D, inclusive, or 617 of NRS; and
- (b) Require as a condition precedent to the payment of any amount due, lien releases furnished by the prime contractor and his or her lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of <u>NRS 108.2457</u>.
- 3. If, pursuant to subparagraph (2) or (3) of paragraph (a) of subsection 2 or paragraph (b) of subsection 2, an owner intends to withhold any amount from a payment to be made to a prime contractor, the owner must give, on or before the date the payment is due, a written notice to the prime contractor of any amount that will be withheld. The written notice of withholding must:
- (a) Identify the amount of the request for payment that will be withheld from the prime contractor;
- (b) Give a reasonably detailed explanation of the condition or the reason the owner will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement, and any documents relating thereto, and the applicable building code, law or regulation with which the prime contractor has failed to comply; and
 - (c) Be signed by an authorized agent of the owner.
- 4. A prime contractor who receives a notice of withholding pursuant to subsection 3 or a notice of objection pursuant to subparagraph (2) of paragraph (b) may:
- (a) Give the owner a written notice and thereby dispute in good faith and for reasonable cause the amount withheld, or the condition or reason for the withholding; or
- (b) Correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the owner of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the prime contractor. If an owner receives a written notice from the prime contractor of the correction of a condition or reason for the withholding pursuant to this paragraph, the owner shall:
- (1) Pay the amount withheld by the owner for that condition or reason for the withholding on or before the date the next payment is due the prime contractor; or
- (2) Object to the scope and manner of the correction of the condition or reason for the withholding, on or before the date the next payment is due to the prime contractor, in a written statement which sets forth the condition or reason for the objection and which complies with subsection 3. If the owner objects to the scope and manner of the correction of a condition or reason for the withholding, the owner shall nevertheless pay to the prime contractor, along with the payment to be made pursuant to the prime contractor's next payment request, the amount withheld for the correction of the condition or reason for the withholding to which the owner no longer objects.



5. Except as otherwise allowed in subsections 2, 3 and 4, an owner shall not withhold from a payment to be made to a prime contractor more than the retention amount.

(Added to NRS by 2001, 1619; A 2005, 1722; 2015, 2623)

NRS 624.610 Grounds and procedure for stopping work or terminating agreement; change orders; damages and other remedies; rights of lower-tiered subcontractors; limitations on liability.

- 1. If:
- (a) An owner fails to pay the prime contractor in the time and manner required by subsection 1 or 4 of NRS 624.609;
- (b) An owner fails to give the prime contractor written notice of any withholding in the time and manner required by subsection 3 or 4 of <u>NRS 624.609</u>;
- (c) After receipt of a notice of withholding given pursuant to subsection 3 or 4 of <u>NRS 624.609</u>, the prime contractor gives the owner written notice pursuant to subsection 4 of <u>NRS 624.609</u> and thereby disputes in good faith and for reasonable cause the amount withheld or the condition or reason for the withholding; or
- (d) Within 30 days after the date that a written request for a change order is submitted by the prime contractor to the owner, the owner fails to:
 - (1) Issue the change order; or
- (2) If the request for a change order is unreasonable or does not contain sufficient information to make a determination, give written notice to the prime contractor of the reasons why the change order is unreasonable or explain that additional information and time are necessary to make a determination,
- → the prime contractor may stop work after giving written notice to the owner at least 10 days before stopping work.
- 2. If a prime contractor stops work pursuant to paragraph (a), (b) or (c) of subsection 1, the prime contractor may terminate the agreement by giving written notice of termination to the owner after stopping work but at least 15 days before terminating the agreement. If the prime contractor is paid the amount due before the date for termination of the agreement set forth in the written notice, the prime contractor shall not terminate the agreement and shall resume work.
- 3. If an owner fails to issue a change order or give written notice to the prime contractor pursuant to the provisions of paragraph (d) of subsection 1:
- (a) The agreement price must be increased by the amount sought in the request for a change order:
- (b) The time for performance must be extended by the amount sought in the request for a change order;
- (c) The prime contractor may submit to the owner a bill or invoice for the labor, materials, equipment or services that are the subject of the request for a change order; and
- (d) The owner shall pay the prime contractor for such labor, materials, equipment or services with the next payment made to the prime contractor.
- 4. If the owner through his or her own act or neglect, or through an act or neglect of his or her agent, excluding acts of God, floods, fires, labor disputes, strikes or reasonable adjustments to work schedules, causes the work to be stopped for a period of 15 days or more, the prime contractor may terminate the agreement if:
- (a) The prime contractor gives written notice of his or her intent to terminate to the owner at least 10 days before terminating the agreement; and
- (b) The owner fails to allow work to resume within the time set forth in the written notice given pursuant to paragraph (a).
- 5. If a prime contractor stops work pursuant to subsection 1, the owner may terminate the agreement by giving the prime contractor written notice of his or her intent to terminate at least 15 days before terminating the agreement.



- 6. If the agreement is terminated pursuant to subsection 4, or if the prime contractor stops work in accordance with this section and the agreement is terminated pursuant to subsection 1 or 5, the prime contractor is entitled to recover from the owner payment in an amount found by a trier of fact to be due the prime contractor, including, without limitation:
- (a) The cost of all work, labor, materials, equipment and services furnished by and through the prime contractor, including any overhead the prime contractor and his or her lower-tiered subcontractors and suppliers incurred and profit the prime contractor and his or her lower-tiered subcontractors and suppliers earned through the date of termination;
- (b) The balance of the profit that the prime contractor and his or her lower-tiered subcontractors and suppliers would have received if the agreement had been performed in full;
 - (c) Interest determined pursuant to NRS 624.630; and
- (d) The reasonable costs, including court and arbitration costs, incurred by the prime contractor and his or her lower-tiered subcontractors in collecting the amount due.
- → In any action brought to enforce the rights or obligations set forth in this subsection, the trier of fact may award reasonable attorney's fees to the prime contractor and his or her lower-tiered subcontractors and suppliers or, if the trier of fact determines that the prime contractor stopped work or terminated the agreement without a reasonable basis in law or fact, the trier of fact may award reasonable attorney's fees and costs, including court and arbitration costs, to the owner.
- 7. If a prime contractor stops work pursuant to subsection 1, each lower-tiered subcontractor with whom the prime contractor has entered into an agreement and who has not fully performed under that agreement may also stop work on the work of improvement. If a prime contractor terminates an agreement pursuant to this section, all such lower-tiered subcontractors may terminate their agreements with the prime contractor.
- 8. The right of a prime contractor to stop work or terminate an agreement pursuant to this section is in addition to all other rights that the prime contractor may have at law or in equity and does not impair or affect the right of a prime contractor to maintain a civil action or to submit any controversy arising under the agreement with the owner to arbitration.
- 9. No prime contractor or his or her lower-tiered subcontractors or suppliers, or their respective sureties, may be held liable for any delays or damages that an owner may suffer as a result of the prime contractor or lower-tiered subcontractors or suppliers stopping their work or the provision of materials or equipment or terminating an agreement for a reasonable basis in law or fact and in accordance with this section or reasonable cause and in accordance with this section or NRS 624.626.

(Added to NRS by $\underline{1975}$, $\underline{1382}$; A $\underline{1987}$, $\underline{533}$; $\underline{1989}$, $\underline{1535}$; $\underline{1991}$, $\underline{146}$; $\underline{1999}$, $\underline{238}$; $\underline{2001}$, $\underline{1622}$; $\underline{2005}$, $\underline{1723}$)

NRS 624.620 Payment of prime contractor after work of improvement is available for use or occupancy; grounds and procedure for withholding amounts from payment; rights and duties after notice of withholding or notice of correction; partial payments.

- 1. Except as otherwise provided in this section, any money remaining unpaid for the construction of a work of improvement is payable to the prime contractor within 30 days after:
- (a) Occupancy or use of the work of improvement by the owner or by a person acting with the authority of the owner; or
- (b) The availability of a work of improvement for its intended use. The prime contractor must have provided to the owner:
- (1) A written notice of availability on or before the day on which the prime contractor claims that the work of improvement became available for use or occupancy; or
- (2) A certificate of occupancy or temporary certificate of occupancy issued by the appropriate building inspector or other authority.
 - 2. If the owner has complied with subsection 3, the owner may:
 - (a) Withhold payment for the amount of:



- (1) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is sought;
- (2) The costs and expenses reasonably necessary to correct or repair any work that is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the amount of retention being withheld pursuant to the terms of the agreement; and
- (3) Money the owner has paid or is required to pay pursuant to an official notice from a state agency, or employee benefit trust fund, for which the owner is liable for the prime contractor or his or her lower-tiered subcontractors in accordance with <u>chapter 608</u>, <u>612</u>, <u>616A</u> to <u>616D</u>, inclusive, or 617 of NRS.
- (b) Require, as a condition precedent to the payment of any unpaid amount under the agreement, that lien releases be furnished by the prime contractor and his or her lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of NRS 108.2457.
- 3. If, pursuant to paragraph (a) of subsection 2, an owner intends to withhold any amount from a payment to be made to a prime contractor, the owner must, on or before the date the payment is due, give written notice to the prime contractor of any amount that will be withheld. The written notice of withholding must:
 - (a) Identify the amount that will be withheld from the prime contractor;
- (b) Give a reasonably detailed explanation of the condition for which or the reason the owner will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement with the prime contractor, and any documents relating thereto, and the applicable building code, law or regulation with which the prime contractor has failed to comply; and
 - (c) Be signed by an authorized agent of the owner.
- 4. A prime contractor who receives a notice of withholding pursuant to subsection 3 may correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the owner of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the prime contractor. If an owner receives a written notice from the prime contractor of the correction of a condition or reason for the withholding described in an owner's notice of withholding pursuant to subsection 3, the owner must, within 10 days after receipt of such notice:
 - (a) Pay the amount withheld by the owner for that condition or reason for the withholding; or
- (b) Object to the scope and manner of the correction of the condition or reason for the withholding in a written statement that sets forth the reason for the objection and complies with subsection 3. If the owner objects to the scope and manner of the correction of a condition or reason for the withholding, the owner shall nevertheless pay to the prime contractor, along with the payment to be made pursuant to the prime contractor's next payment request, the amount withheld for the correction of the condition or reason for the withholding to which the owner no longer objects.
- 5. The partial occupancy or availability of a building requires payment in direct proportion to the value of the part of the building which is partially occupied or partially available. For works of improvement which involve more than one building, each building must be considered separately in determining the amount of money which is payable to the prime contractor.

(Added to NRS by <u>1983, 425</u>; A <u>1987, 557</u>; <u>2001, 1624</u>; <u>2003, 2619</u>; <u>2005, 1224</u>, <u>1726</u>; <u>2015, 2624</u>)



NRS 624.622 Requirements concerning notices; prohibited provisions; exemptions; requests for information.

- 1. A prime contractor shall provide a copy of any notice given to an owner pursuant to subsection 1 or 2 of NRS 624.610 to each lower-tiered subcontractor with whom the prime contractor has entered into an agreement. Upon receipt of payment pursuant to NRS 624.609, the prime contractor shall notify all such lower-tiered subcontractors in writing of receipt of payment.
 - 2. A condition, stipulation or provision in an agreement which:
- (a) Requires a prime contractor to waive any rights provided in this section, <u>NRS</u> 624.609, 624.610, 624.620 or 624.630, or which limits those rights;
- (b) Relieves an owner of any obligation or liability imposed pursuant to <u>NRS</u> 624.606 to 624.630, inclusive; or
- (c) Requires a prime contractor to waive, release or extinguish a claim or right for damages or an extension of time that the prime contractor may otherwise possess or acquire as a result of delay, acceleration, disruption or an impact event that is unreasonable under the circumstances, that was not within the contemplation of the parties at the time the agreement was entered into, or for which the prime contractor is not responsible,
- → is against public policy and is void and unenforceable.
 - 3. All notices required pursuant to NRS 624.609 to 624.622, inclusive, must be:
- (a) Delivered personally, in which case the prime contractor shall obtain a notarized statement from the person who delivered the notice as proof of delivery;
- (b) Sent by facsimile and delivered by regular mail, in which case the prime contractor shall retain proof of a successful transmission of the facsimile;
 - (c) Delivered by certified mail; or
 - (d) Delivered in the manner provided for in the agreement.
 - 4. NRS 624.609 to 624.622, inclusive, do not apply to an agreement between:
- (a) A prime contractor and a natural person who owns a single-family residence for the performance of qualified services with respect to the residence; or
- (b) A public body and a prime contractor for the performance of work and labor on a public work.
- 5. Within 5 days after an owner receives a written request for the information set forth in paragraphs (a), (b) and (c) from a lower-tiered subcontractor, the owner shall notify the lower-tiered subcontractor in writing of the following:
 - (a) The date the owner made a specified payment to the prime contractor;
- (b) Whether the owner has paid the entire amount of a specified payment to the prime contractor; and
- (c) The amount withheld by the owner from a specified payment to the prime contractor and the condition or reason for the withholding.

(Added to NRS by 2001, 1620; A 2005, 1727)

Agreements Between Higher-Tiered Contractor and Lower-Tiered Subcontractor

NRS 624.624 Payment of lower-tiered subcontractor; grounds and procedure for withholding amounts from payment; rights and duties after notice of withholding, notice of objection or notice of correction.

- 1. Except as otherwise provided in this section, if a higher-tiered contractor enters into:
- (a) A written agreement with a lower-tiered subcontractor that includes a schedule for payments, the higher-tiered contractor shall pay the lower-tiered subcontractor:
 - (1) On or before the date payment is due; or



- (2) Within 10 days after the date the higher-tiered contractor receives payment for all or a portion of the work, materials or equipment described in a request for payment submitted by the lower-tiered subcontractor.
- → whichever is earlier.
- (b) A written agreement with a lower-tiered subcontractor that does not contain a schedule for payments, or an agreement that is oral, the higher-tiered contractor shall pay the lower-tiered subcontractor:
- (1) Within 30 days after the date the lower-tiered subcontractor submits a request for payment; or
- (2) Within 10 days after the date the higher-tiered contractor receives payment for all or a portion of the work, labor, materials, equipment or services described in a request for payment submitted by the lower-tiered subcontractor.
- → whichever is earlier.
- 2. If a higher-tiered contractor has complied with subsection 3, the higher-tiered contractor may:
 - (a) Withhold from any payment owed to the lower-tiered subcontractor:
- (1) A retention amount that the higher-tiered contractor is authorized to withhold pursuant to the agreement, but the retention amount withheld must not exceed 5 percent of the payment that is required pursuant to subsection 1;
 - (2) An amount equal to the sum of the value of:
- (I) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is being sought, unless the agreement otherwise allows or requires such a payment to be made; and
- (II) Costs and expenses reasonably necessary to correct or repair any work which is the subject of the request for payment and which is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the retention amount withheld pursuant to subparagraph (1); and
- (3) The amount the owner or higher-tiered contractor has paid or is required to pay pursuant to an official notice from a state agency or employee benefit trust fund, for which the owner or higher-tiered contractor is or may reasonably be liable for the lower-tiered subcontractor or his or her lower-tiered subcontractors in accordance with charge-read-trust fund, for which the owner or higher-tiered subcontractor is or may reasonably be liable for the lower-tiered subcontractor in accordance with charge-read-trust fund, for which the owner or higher-tiered subcontractor is or may reasonably be liable for the lower-tiered subcontractor in accordance with charge-read-to-state-new-tiered-contractors in accordance with charge-read-to-st
- (b) Require as a condition precedent to the payment of any amount due, lien releases furnished by the lower-tiered subcontractor and his or her lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of <u>NRS 108.2457</u>.
- 3. If, pursuant to subparagraph (2) or (3) of paragraph (a) of subsection 2 or paragraph (b) of subsection 2, a higher-tiered contractor intends to withhold any amount from a payment to be made to a lower-tiered subcontractor, the higher-tiered contractor must give, on or before the date the payment is due, a written notice to the lower-tiered subcontractor of any amount that will be withheld and give a copy of such notice to all reputed higher-tiered contractors and the owner. The written notice of withholding must:
- (a) Identify the amount of the request for payment that will be withheld from the lower-tiered subcontractor;
- (b) Give a reasonably detailed explanation of the condition or the reason the higher-tiered contractor will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement with the lower-tiered subcontractor, and any documents relating thereto, and the applicable building code, law or regulation with which the lower-tiered subcontractor has failed to comply; and
 - (c) Be signed by an authorized agent of the higher-tiered contractor.



- 4. A lower-tiered subcontractor who receives a notice of withholding pursuant to subsection 3 or a notice of objection pursuant to subparagraph (2) of paragraph (b) may:
- (a) Give the higher-tiered contractor a written notice and thereby dispute in good faith and for reasonable cause the amount withheld or the conditions or reasons for the withholding; or
- (b) Correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the higher-tiered contractor of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the lower-tiered subcontractor. If a higher-tiered contractor receives a written notice from the lower-tiered subcontractor of the correction of a condition or reason for the withholding pursuant to this paragraph, the higher-tiered contractor shall:
- (1) Pay the amount withheld by the higher-tiered contractor for that condition or reason for the withholding on or before the date the next payment is due the lower-tiered subcontractor; or
- (2) Object to the scope and manner of the correction of the condition or reason for the withholding, on or before the date the next payment is due to the lower-tiered subcontractor, in a written statement which sets forth the condition or reason for the objection and which complies with subsection 3. If the higher-tiered contractor objects to the scope and manner of the correction of a condition or reason for the withholding, the higher-tiered contractor shall nevertheless pay to the lower-tiered subcontractor, along with payment to be made pursuant to the lower-tiered subcontractor's next payment request, the amount withheld for the correction of the conditions or reasons for the withholding to which the higher-tiered contractor no longer objects.
- 5. Except as otherwise allowed in subsections 2, 3 and 4, a higher-tiered contractor shall not withhold from a payment to be made to a lower-tiered subcontractor more than the retention amount.

(Added to NRS by 2001, 1615; A 2005, 1728; 2015, 2626)

NRS 624.626 Grounds and procedure for stopping work or terminating agreement; change orders; damages and other remedies; rights of lower-tiered subcontractors after work stoppage or termination of agreement; limitations on liability.

- 1. If:
- (a) A higher-tiered contractor fails to pay the lower-tiered subcontractor within the time provided in subsection 1 or 4 of NRS 624.624;
- (b) A higher-tiered contractor fails to pay the lower-tiered subcontractor within 45 days after the 25th day of the month in which the lower-tiered subcontractor submits a request for payment, even if the higher-tiered contractor has not been paid and the agreement contains a provision which requires the higher-tiered contractor to pay the lower-tiered subcontractor only if or when the higher-tiered contractor is paid;
- (c) A higher-tiered contractor fails to give the lower-tiered subcontractor written notice of any withholding in the time and manner required by subsection 3 or 4 of NRS 624.624;
- (d) After receipt of a notice of withholding pursuant to subsection 3 or 4 of <u>NRS 624.624</u>, the lower-tiered subcontractor gives the higher-tiered contractor written notice pursuant to subsection 4 of <u>NRS 624.624</u> and thereby disputes in good faith and for reasonable cause the amount withheld or the condition or reason for the withholding; or
- (e) Within 30 days after the date that a written request for a change order is submitted by the lower-tiered subcontractor to the higher-tiered contractor, the higher-tiered contractor fails to:
 - (1) Issue the change order; or
- (2) If the request for a change order is unreasonable, give written notice to the lower-tiered subcontractor of the reasons why the change order is unreasonable,



- → the lower-tiered subcontractor may stop work under the agreement until payment is received if the lower-tiered subcontractor gives written notice to the higher-tiered contractor at least 10 days before stopping work.
- 2. If a lower-tiered subcontractor stops work pursuant to paragraph (a), (c) or (d) of subsection 1, the lower-tiered subcontractor may terminate the agreement with the higher-tiered contractor by giving written notice of the termination to the higher-tiered contractor after stopping work but at least 15 days before the termination of the agreement. If the lower-tiered subcontractor is paid the amount due before the date for termination set forth in the written notice, the lower-tiered subcontractor shall not terminate the agreement and shall resume work.
- 3. If a higher-tiered contractor fails to issue a change order or fails to give written notice pursuant to paragraph (e) of subsection 1:
- (a) The agreement price must be increased by the amount sought in the request for a change order:
- (b) The time for performance must be extended by the amount sought in the request for a change order;
- (c) The lower-tiered subcontractor may submit to the higher-tiered contractor a bill or invoice for the labor, materials, equipment or services that are the subject of the request for a change order; and
- (d) The higher-tiered contractor shall pay the lower-tiered subcontractor for such labor, materials, equipment or services with the next payment made to the lower-tiered subcontractor.
- 4. If an owner or higher-tiered contractor through his or her own act or neglect, or through an act or neglect of his or her agent, excluding acts of God, floods, fires, labor disputes, strikes or reasonable adjustments in work schedules, causes the work to be stopped for a period of 15 days or more, the lower-tiered subcontractor may terminate the agreement if:
- (a) The lower-tiered subcontractor gives written notice of his or her intent to terminate to the higher-tiered contractor at least 10 days before terminating the agreement; and
- (b) The higher-tiered contractor fails to allow the lower-tiered subcontractor to resume the work within the time set forth in the written notice given pursuant to paragraph (a).
- 5. If a lower-tiered subcontractor stops work pursuant to paragraph (a), (c) or (d) of subsection 1, the higher-tiered contractor may terminate the agreement by giving the lower-tiered subcontractor written notice of his or her intent to terminate at least 15 days before terminating the agreement.
- 6. If the agreement is terminated pursuant to subsection 4, or if the lower-tiered subcontractor stops work in accordance with this section and the agreement is terminated pursuant to subsection 2 or 5, the lower-tiered subcontractor is entitled to recover from the higher-tiered contractor with whom the lower-tiered subcontractor has entered into an agreement the amount found by a trier of fact to be due the lower-tiered subcontractor, including, without limitation:
- (a) The cost of all work, labor, materials, equipment and services furnished by and through the lower-tiered subcontractor, including any overhead the lower-tiered subcontractor and his or her lower-tiered subcontractors and suppliers incurred and profit the lower-tiered subcontractor and his or her lower-tiered subcontractors and suppliers earned through the date of termination;
- (b) The balance of the profit that the lower-tiered subcontractor and his or her lower-tiered subcontractors and suppliers would have received if the agreement had been performed in full;
 - (c) Interest determined pursuant to NRS 624.630; and
- (d) The reasonable costs, including court costs and arbitration costs, incurred by the lower-tiered subcontractor and his or her lower-tiered subcontractors in collecting the amount due.
- → In any action brought to enforce the rights or obligations set forth in this subsection, the trier of fact may award reasonable attorney's fees to the lower-tiered subcontractor and his or her lower-tiered subcontractors and suppliers or, if the trier of fact determines that the lower-tiered subcontractor stopped work or terminated the agreement without a reasonable basis in law or



fact, the trier of fact may award reasonable attorney's fees and costs, including court costs and arbitration costs, to the higher-tiered contractor.

- 7. If a lower-tiered subcontractor stops work pursuant to this section, each lower-tiered subcontractor with whom the lower-tiered subcontractor has entered into an agreement and who has not fully performed under the agreement may also stop work on the work of improvement. If a lower-tiered subcontractor terminates an agreement pursuant to this section, all of his or her lower-tiered subcontractors may terminate their agreements with the lower-tiered subcontractor.
- 8. The right of a lower-tiered subcontractor to stop work or terminate an agreement pursuant to this section is in addition to all other rights that the lower-tiered subcontractor may have at law or in equity and does not impair or affect the right of a lower-tiered subcontractor to maintain a civil action or to submit any controversy arising under the agreement to arbitration.
- 9. No lower-tiered subcontractor or his or her lower-tiered subcontractors or suppliers, or their respective sureties, may be held liable for any delays or damages that an owner or higher-tiered contractor may suffer as a result of the lower-tiered subcontractor and his or her lower-tiered subcontractors and suppliers stopping their work or the provision of materials or equipment or terminating an agreement for a reasonable basis in law or fact and in accordance with this section.

(Added to NRS by 2001, 1617; A 2005, 1731)

NRS 624.628 Requirements concerning notices; prohibited provisions; requests for information.

- 1. A lower-tiered subcontractor shall provide a copy of any notice given to a higher-tiered contractor pursuant to this section or NRS 624.624 or 624.626 to each lower-tiered subcontractor with whom the lower-tiered subcontractor has entered into an agreement and who has not fully performed under the agreement. Upon receipt of payment pursuant to NRS 624.624, the lower-tiered subcontractor shall notify all of his or her lower-tiered subcontractors in writing of receipt of payment.
- 2. A lower-tiered subcontractor shall provide a copy of any notice given to a higher-tiered contractor pursuant to this section or <u>NRS 624.624</u> or <u>624.626</u> to all other higher-tiered contractors and the owner, if known. The failure of a lower-tiered subcontractor to comply with this subsection does not invalidate any notice otherwise properly given.
 - 3. A condition, stipulation or provision in an agreement which:
- (a) Requires a lower-tiered subcontractor to waive any rights provided in <u>NRS</u> 624.624 to 624.630, inclusive, or which limits those rights;
- (b) Relieves a higher-tiered contractor of any obligation or liability imposed pursuant to <u>NRS</u> 624.624 to 624.630, inclusive; or
- (c) Requires a lower-tiered subcontractor to waive, release or extinguish a claim or right for damages or an extension of time that the lower-tiered subcontractor may otherwise possess or acquire as a result of delay, acceleration, disruption or an impact event that is unreasonable under the circumstances, that was not within the contemplation of the parties at the time the agreement was entered into, or for which the lower-tiered subcontractor is not responsible,
- → is against public policy and is void and unenforceable.
 - 4. All notices required pursuant to this section or NRS 624.624 or 624.626 must be:
- (a) Delivered personally, in which case the lower-tiered subcontractor shall obtain a notarized statement from the person who delivered the notice as proof of delivery;
- (b) Sent by facsimile and delivered by regular mail, in which case the lower-tiered subcontractor shall retain proof of a successful transmission of the facsimile;
 - (c) Delivered by certified mail; or
- (d) Delivered in the manner provided in the agreement between the higher-tiered contractor and the lower-tiered subcontractor.



- 5. Within 5 days after the owner or any higher-tiered contractor receives a written request for the information set forth in paragraphs (a), (b) and (c) from a lower-tiered subcontractor with respect to an agreement that has not been fully performed, the owner or higher-tiered contractor shall notify the lower-tiered subcontractor in writing of the following:
- (a) The date the owner or higher-tiered contractor made a specified payment to the prime contractor or lower-tiered subcontractor;
- (b) Whether the owner or higher-tiered contractor has paid the prime contractor or lower-tiered subcontractor the entire amount of a specified payment; and
- (c) The amount withheld by the owner or higher-tiered contractor of a specified payment to his or her prime contractor or lower-tiered subcontractor and the condition or reason for the withholding.

(Added to NRS by 2001, 1618; A 2005, 1733)

Payment of Interest

NRS 624.630 Accrual of interest on money due; rate of interest. Any money which is payable to a prime contractor, higher-tiered contractor or lower-tiered subcontractor pursuant to NRS 624.609, 624.610, 624.620, 624.624, 624.626 or 624.628 accrues interest from the time it becomes due at a rate equal to the higher of:

- 1. The rate agreed upon in the agreement between the parties; or
- 2. The rate equal to the prime rate at the largest bank in this State, as determined by the Commissioner of Financial Institutions on January 1 or July 1, as the case may be, immediately preceding:
 - (a) The time at which the agreement was signed; or
- (b) If the agreement was oral, the time at which the terms of the agreement were agreed to by the parties,
- → plus 4 percent until the date of payment.

(Added to NRS by 1987, 557; A 2005, 1734)

PROHIBITED ACTS; PENALTIES; ENFORCEMENT

NRS 624.700 Engaging in business or submitting bid without license unlawful; prosecution; damages; bid submitted in violation of section void.

- 1. It is unlawful for any person or combination of persons to:
- (a) Engage in the business or act in the capacity of a contractor within this State; or
- (b) Submit a bid on a job situated within this State,
- → without having an active license therefor as provided in this chapter, unless that person or combination of persons is exempted from licensure pursuant to NRS 624.031.
- 2. The district attorneys in this State shall prosecute all violations of this section which occur in their respective counties, unless the violations are prosecuted by the Attorney General. Upon the request of the Board, the Attorney General shall prosecute any violation of this section in lieu of prosecution by the district attorney.
- 3. In addition to any other penalty imposed pursuant to this chapter, a person who is convicted of violating subsection 1 may be required to pay:
 - (a) Court costs and the costs of prosecution;
 - (b) Reasonable costs of the investigation of the violation to the Board;
- (c) Damages the person caused as a result of the violation up to the amount of the person's pecuniary gain from the violation; or
 - (d) Any combination of paragraphs (a), (b) and (c).
- 4. If a person submits a bid or enters into a contract in violation of subsection 1, the bid or contract shall be deemed void ab initio.



[1:Art. VII:186:1941; A <u>1953, 521</u>] — (NRS A <u>1967, 1042</u>; <u>1969, 939</u>; <u>1987, 771</u>; <u>1995, 927</u>; <u>1999, 2957</u>)

NRS 624.710 Administrative fine for engaging in business or submitting bid without license, engaging in unlawful advertising or acting in joint venture or combination without additional license; fine cumulative; action for fine; deposit of fine in Construction Education Account.

- 1. If any person violates the provisions of subsection 1 of <u>NRS 624.700</u>, subsections 1 to 5, inclusive, of <u>NRS 624.720</u> or <u>NRS 624.740</u>, the Board may impose for each violation an administrative fine in an amount that is not less than \$1,000 and not more than \$50,000.
- 2. The Board shall, by regulation, establish standards for use by the Board in determining the amount of an administrative fine imposed pursuant to this section. The standards must include, without limitation, provisions requiring the Board to consider:
 - (a) The gravity of the violation;
 - (b) The good faith of the person; and
- (c) Any history of previous violations of the provisions of this chapter or the regulations of the Board committed by the person.
- 3. An administrative fine imposed pursuant to this section is in addition to any other penalty imposed pursuant to this chapter.
- 4. If the administrative fine and any interest imposed pursuant to <u>NRS 624.300</u> is not paid when due, the fine and interest, if any, must be recovered in a civil action brought by the Attorney General on behalf of the Board.
- 5. All administrative fines and interest collected pursuant to this section must be deposited with the State Treasurer for credit to the Construction Education Account created pursuant to NRS 624.580.

(Added to NRS by 1995, 926; A 2001, 2415; 2005, 1208; 2007, 863; 2015, 391)

NRS 624.720 Unlawful advertising; disconnection of telephone number listed in unlawful advertisement.

- 1. It is unlawful for any person, including a person exempt under the provisions of <u>NRS</u> <u>624.031</u>, to advertise as a contractor unless the person has a license in the appropriate classification established by the provisions of NRS 624.215 and 624.220.
- 2. Notwithstanding any other provision of this chapter, any person not licensed pursuant to the provisions of this chapter who advertises to perform or complete construction work or a work of improvement must state in the advertisement that he or she is not licensed pursuant to this chapter.
- 3. It is unlawful for a licensed contractor to disseminate, as part of any advertising by the contractor, any false or misleading statement or representation of material fact that is intended, directly or indirectly, to induce another person to use the services of the contractor or to enter into any contract with the contractor or any obligation relating to such a contract.
- 4. All advertising by a licensed contractor must include the name of the contractor's company and the number of the contractor's license.
- 5. It is unlawful for any person, whether or not licensed pursuant to this chapter, to advertise to perform or complete construction work or a work of improvement using a license number that does not correspond to a valid license issued to that person under this chapter.
- 6. If, after giving notice and holding a hearing pursuant to NRS 624.291, the Board determines that a person has engaged in advertising in a manner that violates the provisions of this section, the Board may, in addition to any penalty, punishment or disciplinary action authorized by the provisions of this chapter, issue an order to the person to cease and desist the unlawful advertising and to cause any telephone number included in the advertising to be disconnected.



- 7. If a person fails to comply with subsection 6 within 5 days after receiving an order pursuant to subsection 6, the Board may request the Public Utilities Commission of Nevada to order the appropriate provider of telephone service to disconnect any telephone number included in the advertisement.
 - 8. As used in this section:
- (a) "Advertising" includes, but is not limited to, the issuance of any sign, card or device, or the permitting or allowing of any sign or marking on a motor vehicle, in any building, structure, newspaper, magazine or airway transmission, on the Internet or in any directory under the listing of "contractor" with or without any limiting qualifications.
 - (b) Provider of telephone service" has the meaning ascribed to it in NRS 707.355.

(Added to NRS by <u>1975</u>, <u>1159</u>; A <u>1987</u>, <u>1101</u>; <u>1999</u>, <u>2857</u>, <u>2965</u>; <u>2001</u>, <u>213</u>; <u>2005</u>, <u>1208</u>; <u>2015</u>, <u>391</u>; <u>2019</u>, <u>2036</u>)

NRS 624.730 Unlawful to sit for examination on behalf of another; unlawful to provide any portion of examination to another.

- 1. Except as otherwise provided in this chapter, any person other than an applicant for a contractor's license who takes an examination of the Board on behalf of the applicant, is guilty of a misdemeanor.
- 2. Any person who, without the authorization of the Board, provides any portion of an examination of the Board to another person, is guilty of a misdemeanor.

(Added to NRS by <u>1999</u>, <u>2954</u>)

NRS 624.740 Unlawful to act in joint venture or combination without additional license.

- 1. It is unlawful for any two or more licensees, whose licenses have been limited by the Board to contracts not exceeding certain monetary sums and each of whom has been issued a license to engage separately in the business or to act separately in the capacity of a contractor within this State, jointly to submit a bid or otherwise act in the capacity of a contractor within this State without first having secured an additional license for acting in the capacity of such a joint venture or combination in accordance with the provisions of this chapter as provided for an individual, copartnership or corporation.
- 2. A licensee whose license is limited to contracts not exceeding certain monetary sums cannot be a party to a joint venture unless such licensee has secured an additional license for such joint venture.

[4:Art. II:186:1941; A 1951, 47] — (NRS A 1963, 695)

NRS 624.750 Other unlawful acts or omissions; penalties for unlawful acts and omissions.

- 1. It is unlawful for a person to commit any act or omission described in subsection 1 of \underline{NRS} 624.3012, subsection 2 of \underline{NRS} 624.3013, \underline{NRS} 624.3014 or subsection 1, 3 or 7 of \underline{NRS} 624.3016.
- 2. Except as otherwise provided in subsection 3 and unless a greater penalty is otherwise provided by a specific statute, any person who violates subsection 1, <u>NRS 624.305</u>, subsection 1 of NRS 624.700 or NRS 624.720 or 624.740:
- (a) For a first offense, is guilty of a misdemeanor and shall be punished by a fine of not less than \$1,000 nor more than \$4,000, and may be further punished by imprisonment in the county jail for not more than 6 months.
- (b) For the second offense, is guilty of a gross misdemeanor and shall be punished by a fine of not less than \$4,000 nor more than \$10,000, and may be further punished by imprisonment in the county jail for not more than 364 days.
- (c) For the third or subsequent offense, is guilty of a category E felony and shall be punished by a fine of not less than \$10,000 nor more than \$20,000, and may be further punished by imprisonment in the state prison for not less than 1 year and not more than 4 years.



- 3. If a person is guilty of a violation of subsection 1 of <u>NRS 624.700</u>, the maximum fines set forth in subsection 2 may be exceeded by adding thereto a fine enhancement of not more than 10 percent of the value of any contract that the person entered into in violation of subsection 1 of <u>NRS 624.700</u>, if that person commenced any work or received any money relating to the contract.
- 4. It is unlawful for a person to receive money for the purpose of obtaining or paying for services, labor, materials or equipment if the person:
- (a) Willfully fails to use that money for that purpose by failing to complete the improvements for which the person received the money or by failing to pay for any services, labor, materials or equipment provided for that construction; and
 - (b) Wrongfully diverts that money to a use other than that for which it was received.
- 5. Unless a greater penalty is otherwise provided by a specific statute, any person who violates subsection 4:
- (a) If the amount of money wrongfully diverted is \$1,000 or less, is guilty of a gross misdemeanor and shall be punished by a fine of not less than \$2,000 nor more than \$4,000, and may be further punished by imprisonment in the county jail for not more than 364 days.
- (b) If the amount of money wrongfully diverted is more than \$1,000, is guilty of a category E felony and shall be punished by a fine of not less than \$5,000 nor more than \$10,000, and may be further punished by imprisonment in the state prison for not less than 1 year and not more than 4 years.
- 6. Imposition of a penalty provided for in this section is not precluded by any disciplinary action taken by the Board against a contractor pursuant to the provisions of <u>NRS</u> 624.300 to 624.305, inclusive.

[2:Art. VII:186:1941; A 1955, 378] — (NRS A 1967, 639; 1971, 182; 1975, 1161; 1981, 634; 1991, 146; 1999, 2966; 2001, 2983; 2003, 1903; 2013, 990; 2015, 392)

PROSECUTION OF VIOLATIONS

NRS 624.800 Statute of limitations for certain violations. For any violation of the provisions of NRS 624.005 to 624.750, inclusive, that is punishable as a misdemeanor, an indictment must be found, or an information or complaint filed, within 2 years after the commission of the offense.

(Added to NRS by 2005, 1200)

RESIDENTIAL SWIMMING POOLS AND SPAS

NRS 624.900 Definitions. As used in <u>NRS 624.900</u> to <u>624.965</u>, inclusive, unless the context otherwise requires, the words and terms defined in <u>NRS</u> 624.905, 624.910 and 624.915 have the meanings ascribed to them in those sections.

(Supplied in revision)

NRS 624.905 "Contract" defined. "Contract" means any contract or agreement in which a contractor agrees to perform work concerning a residential pool or spa.

(Added to NRS by <u>1997</u>, <u>2698</u>; A <u>2001</u>, <u>2977</u>; <u>2005</u>, <u>2377</u>) — (Substituted in revision for part of NRS 597.713)

NRS 624.910 "Contractor" defined. "Contractor" means a person licensed pursuant to the provisions of this chapter who performs work concerning a residential pool or spa.

(Added to NRS by <u>1997</u>, <u>2698</u>; A <u>2001</u>, <u>2977</u>; <u>2005</u>, <u>2377</u>) — (Substituted in revision for part of NRS 597.713)

NRS 624.915 "Work concerning a residential pool or spa" defined.



- 1. "Work concerning a residential pool or spa" means any of the following acts, if performed for a fee:
- (a) The design, construction, repair, maintenance, restoration, alteration or improvement of any residential swimming pool or spa, regardless of use, including the repair or replacement of existing equipment or the installation of new equipment, as necessary; or
 - (b) Any consultation or supervision concerning such work.
- 2. The scope of such work includes layout, excavation, operation of construction pumps for removal of water, steelwork, construction of floors, installation of gunite, fiberglass, tile and coping, installation of all perimeter and filter piping, installation of all filter equipment and chemical feeders of any type, plastering of the interior, construction of decks, installation of housing for pool equipment and installation of packaged pool heaters.
- 3. The scope of such work also includes the installation of plumbing, including, without limitation, connections to potable water, and the installation of gas lines if the contractor holds classifications for such work pursuant to <u>NRS 624.925</u>.

(Added to NRS by <u>1997, 2698</u>; A <u>2001, 2977</u>; <u>2005, 2377</u>) — (Substituted in revision for part of NRS 597.713)

NRS 624.920 License or other authorization required to perform work concerning residential pool or spa. A person shall not, directly or indirectly, perform or offer to perform, for a fee, any work concerning a residential pool or spa or any consultation or supervision concerning such work or otherwise hold himself or herself out as being able to perform such acts for a fee, unless the person holds:

- 1. A license as a contractor or subcontractor under state law which authorizes the person to perform such acts for a fee; or
- 2. Any other license, certificate, registration or permit under state law which authorizes the person to perform such acts for a fee.

(Added to NRS by 2005, 2376)

NRS 624.925 Classifications of licensing.

- 1. The Board shall adopt regulations to provide for classifications of licensing that authorize a contractor who performs work concerning a residential pool or spa to perform, in connection with such work, the installation of:
 - (a) Plumbing, including, without limitation, connections to potable water; and
 - (b) Gas lines.
- 2. The regulations adopted by the Board must include, without limitation, regulations establishing the qualifications, training and examinations that are required for such classifications. (Added to NRS by 2005, 2376)

NRS 624.930 Contractor and subcontractor required to obtain permits and meet certain requirements; certain owner-builders required to submit information regarding bonds and insurance; supervision and control of work; license or other authorization required to perform certain acts for owner-builder.

- 1. Any contractor or subcontractor who performs work concerning a residential pool or spa shall, regardless of whether the work is performed under the direction of a builder who is also the owner of the property being improved:
 - (a) Apply for and obtain all applicable permits for the project; and
- (b) Meet all applicable requirements imposed pursuant to this chapter and any regulations adopted by the Board with respect to contracts for work concerning a residential pool or spa.
- 2. If a contractor or subcontractor performs work concerning a residential pool or spa and the work is performed under the direction of a builder who is also the owner of the property being improved, the owner shall comply with all state and local laws and ordinances for the submission



of names, licenses and information concerning any required bonds and insurance with respect to the contractors and subcontractors working on the project.

- 3. With respect to a contract for work concerning a residential pool or spa, the work performed pursuant to such a contract must be supervised and controlled directly by the qualified employee or qualified officer of the contractor.
- 4. If work concerning a residential pool or spa is performed under the direction of a builder who is exempt from having to obtain a license as a contractor because the builder is also the owner of the property being improved, a person shall not, directly or indirectly, perform or offer to perform, for a fee, any act as a consultant, adviser, assistant or aide to the builder for the purposes of the project, including, without limitation, any act associated with obtaining permits for the project, or otherwise hold himself or herself out as being able to perform such acts for a fee, unless the person holds:
- (a) A license as a contractor or subcontractor under state law which authorizes the person to perform such acts for a fee; or
- (b) Any other license, certificate, registration or permit under state law which authorizes the person to perform such acts for a fee.

(Added to NRS by <u>2001, 2976</u>; A <u>2003, 1233</u>; <u>2005, 2377</u>) — (Substituted in revision for NRS 597.715)

NRS 624.935 Duties of contractor regarding commencement, performance and completion of work; contract to explain rights of customer; conditions for final payment.

- 1. A contractor who receives an initial down payment or deposit of \$1,000 or 10 percent of the aggregate contract price, whichever is less, for work concerning a residential pool or spa shall start the work within 30 days after the date all necessary permits for the work, if any, are issued, unless the person who made the payment agrees in writing to a longer period to apply for the necessary permits or start the work or to longer periods for both.
- 2. A contractor who receives money for work concerning a residential pool or spa shall complete the work diligently and shall not refuse to perform any work for any 30-day period.
- 3. If satisfactory payment is made for any portion of the work performed, the contractor shall, before any further payment is made, furnish the owner a full and unconditional release from any claim of mechanic's lien for that portion of the work for which payment has been made.
- 4. The requirements of subsection 3 do not apply if the contract provides for the contractor to furnish a bond for payment and performance or joint control covering full performance and completion of the contract and the bond or joint control is furnished by the contractor.
- 5. A contract for work concerning a residential pool or spa must contain a written statement explaining the rights of the customer under <u>NRS 624.900</u> to <u>624.965</u>, inclusive, and other relevant statutes.
- 6. A contractor may require final payment for the final stage or phase of the construction of a residential pool or spa after the completion of the plastering and the final inspection by the local building department, unless any installation of equipment, decking or fencing that is required in the contract is not completed.

(Added to NRS by <u>1997, 2698</u>; A <u>2001, 2978</u>; <u>2005, 2378</u>) — (Substituted in revision for NRS 597.716)

NRS 624.940 Mandatory elements and required information in contracts; contractor to furnish copy of signed documents and receipt for money paid; certain contracts void; contractor to apply for and obtain necessary permits.

1. The Board shall adopt by regulation mandatory elements to be included in all contracts to be used by contractors for work concerning a residential pool or spa. Such mandatory elements must not be waived or limited by contract or in any other manner. On and after October 1, 2001, any contract entered into between a contractor and the owner of a single-family residence for



work concerning a residential pool or spa must comply with the standard elements adopted by the Board. A contract that does not comply with the standard elements adopted by the Board is void and unenforceable against the owner.

- 2. Any such contract in an amount of more than \$1,000 must contain in writing at least the following information:
 - (a) The name of the contractor and his or her business address and license number.
- (b) The name and mailing address of the owner and the address or legal description of the property.
 - (c) The date of execution of the contract.
 - (d) The estimated date of completion of all work to be performed under the contract.
 - (e) A description of the work to be performed under the contract.
- (f) The total amount to be paid to the contractor by the owner for all work to be performed under the contract, including all applicable taxes.
- (g) The amount, not to exceed \$1,000 or 10 percent of the aggregate contract price, whichever is less, of any initial down payment or deposit paid or promised to be paid to the contractor by the owner before the start of construction.
- (h) A statement that the contractor has provided the owner with the notice and informational form required by NRS 624.600.
- (i) A statement that any additional work to be performed under the contract, whether or not pursuant to a change order, which will require the owner to pay additional money and any other change in the terms in the original contract must be agreed to in writing by the parties and incorporated into the original contract as a change order. A change order is not enforceable against the owner contracting for work concerning a residential pool or spa unless the change order clearly sets forth the scope of work to be completed and the price to be charged for the changes and is signed by the owner.
- (j) A plan and scale drawing showing the shape, size, dimensions and the specifications for the construction and equipment for the residential pool or spa and for other home improvements, and a description of the work to be done, the materials to be used and the equipment to be installed, and the agreed consideration for the work.
- (k) Except as otherwise provided in this subsection, the dollar amount of any progress payment and the stage of construction at which the contractor will be entitled to collect progress payments during the course of construction under the contract. The schedule of payments must show the amount of each payment as a sum in dollars and cents. The schedule of payments must not provide for the contractor to receive, nor may the contractor actually receive, payments in excess of 100 percent of the value of the work performed on the project at any time, excluding finance charges, except for an initial down payment or deposit as authorized by subsection 1 of NRS 624.935 or the regulations adopted by the Board. With respect to a contract executed before October 1, 2001, if any schedule of payments set forth in the contract does not comply with the provisions of this chapter or any regulations adopted pursuant thereto:
- (1) The obligation of the owner to make payments in accordance with the payment schedule shall be deemed void and unenforceable; and
- (2) The lender, if any, may not initiate proceedings to enforce the payment of any applicable loan unless and until the contract is reformed or otherwise amended to comply with those provisions of law.
- → The provisions of this paragraph do not apply if the contractor has furnished a bond for payment and performance covering full performance and completion of the contract and the cost of the bond is included in the price of the project or if the contractor builds a residential pool or spa as part of the original building plan pursuant to which the contractor builds a single-family residence on the premises.
- (I) If the contract provides for payment of a commission to a salesperson out of the contract price, a statement that the payment must be made on a pro rata basis in proportion to the schedule



of payments made to the contractor by the disbursing party in accordance with the provisions of paragraph (k).

→ Except as otherwise provided in subsection 5, the contract may contain such other conditions, stipulations or provisions as to which the parties may agree.

- The contract must contain:
- (a) A method whereby the owner may initial provisions of the contract, thereby indicating that those provisions have been read and are understood.
- (b) In close proximity to the signatures of the owner and the contractor, a notice stating that the owner:
- (1) May contact the Board if assistance is needed to clarify any of the provisions of the contract that the owner does not fully understand; and
- (2) Has the right to request a bond for payment and performance if such a bond is not otherwise required pursuant to NRS 624.270.
- 4. At the time the owner signs the contract, the contractor shall furnish the owner a legible copy of all documents signed and a written and signed receipt for any money paid to the contractor by the owner. All written information provided in the contract must be printed in at least 10-point bold type.
- 5. A condition, stipulation or provision in a contract that requires a person to waive any right provided by NRS 624.900 to 624.965, inclusive, or relieves a person of an obligation or liability imposed by those sections is void. Failure to comply with the requirements of NRS 624.900 to 624.965, inclusive, renders a contract void and unenforceable against the owner.
 - 6. The contractor shall apply for and obtain all necessary permits.

(Added to NRS by <u>1997, 2699</u>; A <u>2001, 2978</u>; <u>2005, 2378</u>) — (Substituted in revision for NRS 597.719)

NRS 624.945 Standards for advertisements; prohibited advertising practices.

- 1. The Board shall adopt by regulation standards for advertisements used by contractors in connection with the solicitation or sale of contracts for work concerning residential pools or spas.
- 2. The regulations adopted pursuant to subsection 1 must prohibit a contractor from employing "bait and switch" advertising or otherwise intentionally publishing, displaying or circulating any advertisement which is misleading or inaccurate in any material particular or which misrepresents any of the goods or services sold or furnished by the contractor to members of the public.
- 3. The Board shall, in adopting the standards required by subsection 1, give consideration to the provisions of <u>chapter 598</u> of NRS relating to advertisements that constitute deceptive trade practices and, to the extent practicable, adopt standards that are at least as stringent as those provisions.
- 4. A contractor shall not cause to be published or display or circulate any advertisement that does not comply with the standards adopted by the Board pursuant to subsection 1.
- 5. As used in this section, "bait and switch" advertising has the meaning ascribed to it in <u>NRS</u> 482.351.

(Added to NRS by 2001, 2975; A 2005, 2380) — (Substituted in revision for NRS 597.7191)

NRS 624.950 Limitations on contractor's involvement with entities engaged in certain lending and financial services.

1. Except as otherwise provided in this section and <u>NRS 624.955</u>, a contractor who performs work concerning a residential pool or spa shall not act as, or carry out the duties of, an officer, director, employee or owner of a bonding company, finance company, or any other corporation or business entity who cosigns, underwrites, obtains a deed of trust for, issues, sells, purchases or acquires a loan to finance work concerning a residential pool or spa.



- 2. The provisions of this section do not prohibit a contractor from owning, holding or possessing, either directly or indirectly through a mutual fund or any other financial arrangement or investment plan, any stocks or other securities issued by a company, corporation or business entity described in subsection 1 if:
- (a) The stocks or other securities are offered openly to the public through a securities exchange; and
- (b) The contractor does not own, hold or possess a controlling interest in the company, corporation or business entity.

(Added to NRS by <u>2001, 2976</u>; A <u>2003, 1234</u>; <u>2005, 2381</u>) — (Substituted in revision for NRS 597.7192)

NRS 624.955 Limitations on certain lending and financial practices.

- 1. A contract for work concerning a residential pool or spa is not enforceable against the owner if the obtaining of a loan for all or a portion of the contract price is a condition precedent to the contract unless all of the following requirements are satisfied:
 - (a) A third party agrees to make the loan or give the financing.
 - (b) The owner agrees to accept the loan or financing.
- (c) The owner does not rescind the loan or financing transaction within the period prescribed for rescission pursuant to the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., or <u>chapter 598</u> of NRS, if applicable.
- 2. Unless and until all applicable requirements of subsection 1 are satisfied, a contractor shall not:
 - (a) Perform or deliver any work, labor, material or services; or
- (b) Represent in any manner that the contract is enforceable or that the owner has any obligation under the contract.
- 3. A contract for work concerning a residential pool or spa is not enforceable against the owner if the contractor provides a loan or gives financing for all or a portion of the contract price unless all of the following requirements are satisfied:
 - (a) The owner agrees to accept the loan or financing.
- (b) The owner does not rescind the loan or financing transaction within the period prescribed for rescission pursuant to the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., or <u>chapter 598</u> of NRS, if applicable.
- 4. Unless and until all applicable requirements of subsection 3 are satisfied, a contractor shall not:
 - (a) Perform or deliver any work, labor, material or services; or
- (b) Represent in any manner that the contract is enforceable or that the owner has any obligation under the contract.
- 5. A contract for work concerning a residential pool or spa is not enforceable against the owner if the contractor receives from a third party, either directly or indirectly, remuneration or any other thing of value for a loan to finance the work and that fact is not disclosed in writing in the contract.
- 6. As used in this section, "third party" means a bonding company, finance company, or any other corporation or business entity who cosigns, underwrites, obtains a deed of trust for, issues, sells, purchases or acquires a loan to finance work concerning a residential pool or spa.

(Added to NRS by <u>2001, 2976</u>; A <u>2005, 2381</u>) — (Substituted in revision for NRS 597.7194)

NRS 624.960 Contractor who commits certain violations may be required to obtain services of construction control.

1. If a contractor who performs work concerning a residential pool or spa is determined by the Board to have violated:



- (a) One or more of the provisions of \underline{NRS} 624.301 to $\underline{624.305}$, inclusive, or 624.920, 624.935 or 624.940; or
- (b) Any regulation adopted by the Board with respect to contracts for work concerning a residential pool or spa,
- → the Board may require that the contractor obtain the services of a construction control for each contract that the contractor enters into for work concerning a residential pool or spa.
 - 2. The contractor may not:
- (a) Be related to the construction control or to an employee or agent of the construction control; or
 - (b) Hold, directly or indirectly, a financial interest in the business of the construction control.
- 3. As used in this section, "construction control" has the meaning ascribed to it in \underline{NRS} $\underline{627.050}$.

(Added to NRS by 2001, 2975; A 2005, 2382) — (Substituted in revision for NRS 597.7196)

NRS 624.965 Grounds for disciplinary action; unlawful acts; penalties.

- 1. A violation of any provision of <u>NRS 624.900</u> to <u>624.965</u>, inclusive, or any regulation adopted by the Board with respect to contracts for work concerning a residential pool or spa by a contractor constitutes cause for disciplinary action pursuant to <u>NRS 624.300</u>.
 - 2. It is unlawful for a person to violate any provision of NRS 624.900 to 624.965, inclusive.
 - 3. Any person who violates any provision of NRS 624.900 to 624.965, inclusive:
- (a) For a first offense, is guilty of a misdemeanor and shall be punished by a fine of not more than \$1,000, and may be further punished by imprisonment in the county jail for not more than 6 months.
- (b) For the second offense, is guilty of a gross misdemeanor and shall be punished by a fine of not less than \$2,000 nor more than \$4,000, and may be further punished by imprisonment in the county jail for not more than 364 days.
- (c) For the third or subsequent offense, is guilty of a category E felony and shall be punished by a fine of not less than \$5,000 nor more than \$10,000 and may be further punished by imprisonment in the state prison for not less than 1 year and not more than 4 years.
- 4. The imposition of a penalty provided for in this section is not precluded by any disciplinary action taken by the Board against a contractor pursuant to the provisions of <u>NRS</u> 624.300 to 624.305, inclusive.

(Added to NRS by <u>2001, 2977</u>; A <u>2005, 2382</u>; <u>2013, 991</u>) — (Substituted in revision for NRS 597.7198)



NEVADA ADMINISTRATIVE CODE

CHAPTER 624 - CONTRACTORS

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GENERAL PROVISIONS

Commission; notice of disposition; request for

NAC 624.001 Definitions. (NRS 624.100) As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC 624.003 and 624.005 have the meanings ascribed to them in those sections.

(Added to NAC by Contractors' Bd. by R023-19, eff. 10-30-2019)

NAC 624.003 "Board" defined. (NRS 624.100) "Board" has the meaning ascribed to it in NRS 624.010.

(Added to NAC by Contractors' Bd., eff. 12-29-97; A by R023-19, 10-30-2019)

NAC 624.005 "Employee" defined. (NRS 624.100)

reconsideration.

- 1. "Employee" means a natural person in the service of an employer under any appointment or contract of hire or apprenticeship, express or implied, oral or written, at-will or other, whether lawfully or unlawfully employed.
 - 2. The term does not include an independent contractor.
- 3. As used in this section, "employer" means a contractor having control or custody over any employee.

(Added to NAC by Contractors' Bd. by R023-19, eff. 10-30-2019)



NAC 624.010 "Professional fee" construed. (NRS 624.020, 624.100) The Board construes "professional fee" used in subsection 4 of NRS 624.020 for a construction manager who performs management and counseling services as meaning any compensation he or she receives for those services.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.015 Exemption for owner-builder: Procedure. (NRS 624.031, 624.100)

- 1. To apply for an owner-builder exemption from the provisions of <u>chapter 624</u> of NRS pursuant to subsection 4 of <u>NRS 624.031</u>, an owner of property must submit an Owner-Builder Disclosure Statement to:
 - (a) The Board; and
- (b) The local building official responsible for issuing the permit for the work that will be the subject of the exemption.
- 2. If the Owner-Builder Disclosure Statement submitted pursuant to subsection 1 is completed fully and accurately, and signed by the applicant under penalty of perjury, the Board will approve the owner-builder exemption.
- 3. Unless the Board notifies the applicant within 10 days after he or she submits the Owner-Builder Disclosure Statement to the Board that the owner-builder exemption is denied, the owner-builder exemption shall be deemed to have been approved by the Board.
- 4. If the Board denies an application for an owner-builder exemption, the Board will, within 10 days after the applicant submits the Owner-Builder Disclosure Statement to the Board:
 - (a) Notify the applicant that the owner-builder exemption is denied; and
 - (b) Set forth the reasons for the denial.
- 5. If the applicant is notified pursuant to subsection 4 that the owner-builder exemption is denied, the applicant may submit supplemental materials to the Board regarding the application for an owner-builder exemption.
- 6. If it appears to the satisfaction of the Board that the materials submitted pursuant to subsection 5 satisfy the reasons for the denial of the owner-builder exemption, the Board may approve the owner-builder exemption.
- 7. As used in this section, "Owner-Builder Disclosure Statement" means the form adopted by the Board pursuant to <u>NAC 624.017</u>.

(Added to NAC by Contractors' Bd. by R047-03, eff. 12-4-2003)

NAC 624.017 Exemption for owner-builder: Owner-Builder Disclosure Statement. (NRS 624.031, 624.100)

- 1. The Board will adopt a form for the Owner-Builder Disclosure Statement.
- 2. The form must include, without limitation:
- (a) The name, mailing address, physical address and telephone number of the owner of property applying for the owner-builder exemption from the provisions of <u>chapter 624</u> of NRS pursuant to subsection 4 of NRS 624.031;
- (b) The county where the property that will be subject to the owner-builder exemption is located:
 - (c) The parcel number of the county assessor for the property;
 - (d) A description of the work to be performed on the property;
- (e) With regard to the work described in paragraph (d), the type of permit for which the owner of property is, or will be, applying;
 - (f) A description of the basis for the owner-builder exemption; and
- (g) A declaration, to be signed under penalty of perjury by the owner of property submitting the form, stating that:



- (1) The owner of property owns the property and is building or improving a residential structure on the property for his or her own occupancy and not intended for sale or lease;
- (2) The information contained in the Owner-Builder Disclosure Statement is accurate and complete; and
- (3) The owner of property will comply with all applicable statutes, regulations, ordinances and codes.

(Added to NAC by Contractors' Bd. by R047-03, eff. 12-4-2003)

STATE CONTRACTORS' BOARD

NAC 624.030 Duties of Executive Officer. (NRS 624.100)

- 1. The Executive Officer shall:
- (a) Execute the provisions of <u>chapter 624</u> of NRS and the regulations and general orders of the Board:
 - (b) Oversee the office and personnel of the Board;
- (c) Keep in the office of the Board a complete file of the pleadings, recorded evidence and exhibits of the Board;
- (d) Inform, at convenient intervals, all architects and awarding bodies of the State of Nevada of the licensed contractors in this State;
- (e) Make a quarterly report to the Board giving a summary of the activities of the Board during the past quarter, including:
 - (1) The actions taken by the Board upon the contested matters that came before it;
 - (2) The number and types of licenses issued;
 - (3) The applications received during the quarter; and
 - (4) A complete financial statement of the income and expenditures of the Board; and
 - (f) Sign decisions and orders in contested and uncontested matters on behalf of the Board.
- 2. Except as otherwise provided in <u>NAC 624.7259</u>, the Executive Officer shall not decide any contested matter.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 11-6-85; R014-02, 7-2-2002)

NAC 624.070 Election of officers and changes in organization. (NRS 624.100) At the first regular meeting of each fiscal year, the Board will elect its officers and make any changes in or additions to its permanent organization of the Board.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.080 Chair: Duties; temporary Chair; appointment of acting officer. (NRS 624.100)

- 1. The Chair shall:
- (a) Preside at all meetings of the Board; and
- (b) Decide all questions of evidence and procedure unless an objection is made thereto by a majority of the members of the Board present.
- 2. In the absence of the permanent Chair, the members present shall choose, from their number, one member to act as Chair for the period during which the permanent Chair is absent.
- 3. The permanent or temporary Chair may appoint any member of the Board who is present to act for any other officer of the Board who is not present.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.090 Vacancies. (NRS 624.100)

1. If a permanent vacancy occurs in any office, the remaining members of the Board shall, at the next meeting after the vacancy occurs, elect a successor to serve the unexpired term.



2. If a vacancy occurs on the Board, the Chair shall notify the Governor requesting him or her to appoint a new member.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.120 Petition for declaratory order or advisory opinion. (NRS 624.100, 624.160) Any person may file with the Board a petition for a declaratory order or advisory opinion as to the applicability of any provision of chapter 624 of NRS.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A by R098-12, 12-20-2012)

NAC 624.130 Fees. (NRS

338.1389, 338.147, 624.100, 624.220, 624.253, 624.280, 624.282, 624.283) The Board will charge and collect the following fees:

To issue a duplicate license To issue a duplicate identification card	\$25 10
To issue a duplicate certificate of eligibility	50
To consider an application for a change in the name of the licensee To consider an application regarding a conversion of the licensee	250
conducted pursuant to <u>chapter 92A</u> of NRS To consider an application for an increase of a licensee's monetary limit	300
for a single project	75
To supply a pamphlet containing the statutes and regulations relating to contractors	5
To supply a report containing information regarding not more than 500	J
current licensees	100
To supply a report containing information regarding more than 500 current licensees	200
To consider a request for a permanent increase or decrease of a	200
licensee's monetary limit	250
To consider a request to change the qualified person or other principal	250
listed on a license To consider a request to broaden a license to include the entire	250
classification or other specific subclassifications within the	
classification	250
To issue or renew a license	600
For the late filing of an application to renew an active license	150
For an administrative fee if the applicant or licensee has established a	000
cash deposit with the Board	200
To issue or renew an inactive license	300
For the late filing of an application to renew an inactive license	75
To consider an application for the issuance of a license for a classification in which the applicant is not licensed	300
To issue a certificate of eligibility	500
To renew a certificate of eligibility	300
To charge for returned checks	25

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 8-31-84; 11-6-85; 1-22-86; 10-17-86; 11-10-87; 11-12-87; 11-10-88; 12-19-89, eff. 1-1-90; 5-20-92; 9-11-92; 3-14-94; 1-2-98; R208-99, 5-24-2000; R002-99, 12-4-2000; R070-02, 7-1-2002; R048-03, 12-4-2003; R174-05, 12-29-2005; R094-07, 1-30-2008; R098-12, 12-20-2012)



INVESTIGATIONS OFFICE

NAC 624.132 Definitions. (NRS 624.100, $\underline{624.112}$) As used in NAC 624.132 to $\underline{624.132}$, inclusive, unless the context otherwise requires, the words and terms defined in NAC 624.133 and $\underline{624.134}$ have the meanings ascribed to them in those sections.

(Added to NAC by Contractors' Bd. by R061-01, eff. 11-20-2001; A by R098-12, 12-20-2012)

NAC 624.133 "Compliance investigator" defined. (<u>NRS 624.100</u>, <u>624.112</u>) "Compliance investigator" means a person employed by the Board who is authorized to perform duties pursuant to <u>NRS 624.112</u> and subsection 3 of <u>NRS 624.115</u>.

(Added to NAC by Contractors' Bd. by R061-01, eff. 11-20-2001; A by R146-07, 4-17-2008)

NAC 624.134 "Criminal investigator" defined. (NRS 624.100, 624.112) "Criminal investigator" means a person employed by the Board who is authorized to perform duties pursuant to NRS 624.112 and subsection 2 of NRS 624.115.

(Added to NAC by Contractors' Bd. by R061-01, eff. 11-20-2001; A by R146-07, 4-17-2008)

NAC 624.135 Compliance investigator: Qualifications. (NRS 624.100, 624.112) Each person who is employed by the Board as a compliance investigator must have:

- 1. A valid certificate in construction skills issued by a nationally recognized organization;
- 2. A high school diploma and at least 4 years of progressively responsible experience performing field investigations;
- 3. A high school diploma and at least 4 years of experience in the construction industry as a contractor, journeyman, foreman or supervising employee, or the equivalent thereof, as determined by the Board;
- 4. A bachelor's degree from an accredited college or university with a major in preengineering, construction inspection or construction technology, or a related area of study as determined by the Board, and at least 3 years of experience in the construction industry as a contractor, journeyman, foreman or supervising employee, or the equivalent thereof, as determined by the Board; or
 - 5. Any sufficient combination of education and experience as determined by the Board. (Added to NAC by Contractors' Bd. by R061-01, eff. 11-20-2001; A by R077-06, 6-1-2006)

NAC 624.136 Criminal investigator: Qualifications. (NRS 624.100, 624.112) Each person who is employed by the Board as a criminal investigator must:

- 1. Hold valid certification as a peace officer by the Peace Officers' Standards and Training Commission pursuant to chapter 289 of NRS; and
 - 2. Have one of the following:
- (a) A high school diploma and have at least 5 years of experience in law enforcement or criminal investigations, or equivalent experience, as determined by the Board;
- (b) A bachelor's degree from an accredited college or university with a major in criminal justice, law enforcement, or a related area of study as determined by the Board, and have at least 4 years of experience in law enforcement or criminal investigations, or equivalent experience, as determined by the Board; or
 - (c) Any sufficient combination of education and experience as determined by the Board. (Added to NAC by Contractors' Bd. by R061-01, eff. 11-20-2001)

NAC 624.137 Additional qualifications of investigators. (NRS 624.100, 624.112) In addition to the qualifications set forth in NAC 624.135 and 624.136, each compliance investigator and each criminal investigator who is employed by the Board must:

1. Be at least 21 years of age;



- 2. Be a citizen of the United States or lawfully entitled to remain and work in the United States:
- 3. Possess a Nevada driver's license and be insurable as a driver under a motor vehicle liability policy obtained by the Board;
- 4. Demonstrate knowledge of the provisions of this chapter, <u>chapter 624</u> of NRS and the building codes adopted for use in this State;
 - 5. Be of good moral character;
- 6. Not have been convicted of or pleaded nolo contendere to a felony or a crime involving moral turpitude or the illegal use or possession of a dangerous weapon or drug;
 - 7. Not have a license issued by the Board on active status;
- 8. Pass the Construction Management Survey Examination not later than 1 year after beginning employment with the Board;
 - 9. Complete annually at least 16 hours of training relating to law enforcement or construction;
 - 10. Comply with the code of ethical standards as prescribed in NRS 281A.400; and
- 11. Submit to the Board a complete set of his or her fingerprints and written permission authorizing the Board to forward those fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

(Added to NAC by Contractors' Bd. by R061-01, eff. 11-20-2001)

CLASSIFICATIONS

NAC 624.140 Classification A: General engineering. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the branch of general engineering. The Board designates such a license as a classification A license. A person who holds a "classification A" license may perform the work described in subsection 2 of NRS 624.215.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.150 Classification A: Subclassifications. (NRS 624.100, 624.220, 624.925) The subclassifications of a license designated classification A and the work authorized for persons licensed in the respective subclassifications are:

- 1. AIRPORTS (subclassification A-1): The construction, alteration and repair of airports, including any navigational equipment, lights, beacons, markers, taxiways, runways, hangars and terminals.
- 2. HIGHWAYS (subclassification A-2): The construction of highways, roads, streets and other public ways used for vehicular travel, including any drains, tunnels, bridges and other appurtenances to the construction.
- 3. DAMS AND RESERVOIRS (subclassification A-3): The construction, whether from earth, masonry, steel or concrete, or any combination of these materials, of dams and reservoirs designed to obstruct, control or use water, including the relocation of existing structures, any necessary excavation and the construction of embankments, foundations, piles, piers, spillways, tunnels, roadways and other incidental work.
- 4. BRIDGES (subclassification A-4): The installation, construction, alteration and repair of bridges which are fabricated of steel, masonry, concrete or other suitable materials, and are designed for use by pedestrians or moving traffic, and any abutments, foundations, piles, piers, culverts, roadways and other appurtenances to the bridges.
- 5. DIAMOND AND CORE DRILLING (subclassification A-5): The obtainment by diamond or core drilling, of concrete, soil and rock.
- 6. DRILLING OF OIL, GAS AND EXPLORATORY WELLS (subclassification A-6): The drilling, altering and repair of existing or new oil, gas or exploratory wells, including the casing, packing and installation of pumps and other supplemental material, equipment or structures.



- 7. EXCAVATING AND GRADING (subclassification A-7): The digging, movement and placement of material forming the surface of the earth, other than water, with hand and power tools, machines and explosives to cut, fill, excavate, grade, backfill and perform other similar excavating, grading and trenching operations.
- 8. SEALING AND STRIPING OF IMPERMEABLE PAVING SURFACES (subclassification A-8): The filling of cracks and voids in existing asphaltic, concrete or similar impermeable paving surfaces, the application of sealants and the installation of precast bumpers, traffic signs, nonelectrical markers and striping on the surfaces.
- 9. PIERS AND FOUNDATIONS (subclassification A-9): The examination, excavation, drilling, compacting, pumping, sealing and other work necessary to construct, alter or repair piers, piles, footings and foundations placed in the earth's subsurface to prevent structural settling and to provide an adequate capacity to sustain or transmit the structural load to the soil or rock below.
- 10. COMMERCIAL AND RESIDENTIAL POOLS (subclassification A-10): The construction, alteration and repair of commercial and residential pools and spas, used for swimming, therapy or decoration, including any appurtenant equipment. The sub-subclassifications of this subclassification are:
- (a) RESIDENTIAL POOLS (sub-subclassification A-10a): The design, construction, alteration and repair of residential pools and spas, used for swimming, therapy or decoration, including any appurtenant equipment.
- (b) RESIDENTIAL SPAS (sub-subclassification A-10b): The design, construction and repair of residential spas, including any appurtenant equipment.
- (c) REPAIR OF POOLS AND SPAS (sub-subclassification A-10c): The repair and replacement of plaster, coping and coating of pool decks on residential pools and spas.
- (d) POOLS AND SPAS OF FIBERGLASS (sub-subclassification A-10d): The design, construction and repair of residential pools and spas which are made of fiberglass.
- (e) MAINTENANCE AND REPAIR OF POOLS AND SPAS (sub-subclassification A-10e): The alteration and repair of plaster, tile, coping, pumps, filters, heaters, decking, pool painting, timers, controls and lights on residential and commercial spas, pools, fountains, waterfalls and ponds.
- (f) WATER AND GAS LINES FOR RESIDENTIAL POOLS AND SPAS (sub-subclassification A-10f): The installation of water and gas service lines from the point of service to the pool equipment of the pool or spa of a single-family residence. Work in this sub-subclassification is authorized only for the holder of a certificate as a master plumber, journeyman plumber or journeyman in a plumbing specialty, or an equivalent certificate, issued by the appropriate local building department.
- 11. RECYCLING ASPHALT (subclassification A-11): The scarifications of existing asphaltic mat, the raking of the asphalt into rows, its pulverization, the incorporation of necessary additives, the aeration, spreading and compacting of the asphalt and the application of a coating composed of such ingredients as asphaltic concrete or slurry.
- 12. EXCAVATING, GRADING, TRENCHING AND SURFACING (subclassification A-12): All work authorized for a license of subclassification A-7 and the mixing, fabrication and placement of pavement and surfaces consisting of graded mineral aggregates, asphalt or concrete products.
- 13. WRECKING BUILDINGS (subclassification A-13): The wrecking of existing structures by the use of tools, equipment or explosives, and the raising, cribbing and underpinning of buildings and other structures so that alterations, repairs and new substructures may be constructed under the retained and undisturbed portion of the building or other structure.
- 14. STEEL ERECTION AND INDUSTRIAL MACHINERY (subclassification A-14): The fabrication and erection of steel shapes and plates, regardless of shape or size, to be used as structural members, including any related riveting, welding and rigging, and the installation of any industrial machinery.
- 15. SEWERS, DRAINS AND PIPES (subclassification A-15): The laying of cast-iron, steel, concrete, vitreous and nonvitreous pipe for sewers, drains and irrigation, including any related



excavating, grading, trenching, backfilling, paving and surfacing, and the fabrication and erection of cesspools and septic tanks.

- 16. PAVING OF STREETS, DRIVEWAYS AND PARKING LOTS (subclassification A-16): Examination, excavation, grading, compacting, alteration and repair in the application of asphalt to streets, driveways, parking lots, boat ramps, and landing strips and taxiways for an airport.
- 17. LINES TO TRANSMIT ELECTRICITY (subclassification A-17): The installation, alteration and repair of primary overhead lines which transmit electricity, including the erection of poles, towers, anchors, guys, transformers, substations, circuit breakers and any other related hardware, equipment or systems.
- 18. FARM IRRIGATION (subclassification A-18): The excavation, fabrication, installation, alteration and repair of pipes, pumps, fixtures and any other material and equipment used in or incidental to systems for irrigating crops.
- 19. PIPELINE AND CONDUITS (subclassification A-19): The fabrication and installation of electrical conduits only, and pipelines including the trenching, boring, shoring, backfilling, compacting, paving, surfacing and application of protective coatings necessary to complete only the installation of the pipes and conduits. A person who holds a subclassification A-19 may perform any of the work authorized for the following subclassifications:
 - (a) Water (subclassification A-19a).
 - (b) Gas (subclassification A-19b).
 - (c) Electrical conduits for underground transmission (subclassification A-19c).
- 20. INDUSTRIAL PIPING (subclassification A-20): The fabrication and installation of pipes for the transmission of steam, gases, chemicals and other substances required for industrial manufacturing or commercial operations and any related excavation, trenching and backfilling.
- 21. FENCING AND GUARDRAILS (subclassification A-21): The assembling, cutting, shaping, fabricating and installing of wood or metal fencing, guardrails, signs and nonelectric markers for highways, equipment for playgrounds and supplemental materials.
- 22. UNCLASSIFIED (subclassification A-22): Work limited in scope by the Board to a specialty which is supported by the licensee's knowledge and experience in a trade or craft and which is not included in the other subclassifications of a license in classification A.
- 23. REMOVAL OF ASBESTOS (subclassification A-23): The cleaning, handling, repair, removal, encapsulation, enclosure, hauling and disposal of, or other work with, materials containing asbestos.
- 24. FOUNTAINS AND OTHER WATER FEATURES (subclassification A-24): The construction, alteration and repair of commercial and residential fountains, waterfalls, ponds and similar water features not intended to serve as swimming pools, including any appurtenant equipment.
- 25. TELECOMMUNICATION TOWERS (subclassification A-25): The fabrication and erection of towers used to support telecommunication equipment, including any related riveting, welding and rigging, and the installation of electrical components and related equipment.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 10-17-86; 11-12-87; 8-24-88; 11-10-88; 1-25-89; 12-19-89, eff. 1-1-90; 9-13-91; 3-14-94; R207-05, 5-4-2006; R090-08, 9-18-2008; R095-12, 6-23-2014)

NAC 624.160 Classification B: General building. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the branch of general building. The Board designates such a license as a "classification B" license. A person who holds a classification B license may perform the work described in subsection 3 of NRS 624.215.

(Added to NAC by Contractors' Bd., eff. 8-26-83)



NAC 624.170 Classification B: Subclassifications. (NRS 624.100, 624.220) The subclassifications of a license designated classification B and the work authorized for persons licensed in the respective subclassifications are:

- 1. PREMANUFACTURED HOUSING (subclassification B-1): The fitting, assembling, placement and installing of premanufactured units, modular parts and their appurtenances for the erection of residential buildings which do not extend more than three stories above the ground.
- 2. RESIDENTIAL AND SMALL COMMERCIAL (subclassification B-2): The construction and remodeling of houses and other structures which support, shelter or enclose persons or animals or other chattels, and which do not extend more than three stories above the ground and one story below the ground.
- 3. SPECULATIVE BUILDING (subclassification B-3): The construction upon property owned by the contractor of structures for sale or speculation.
- 4. SERVICE STATIONS (subclassification B-4): The construction of structures and installation of equipment used to perform service upon vehicles.
- 5. PREFABRICATED STEEL STRUCTURES (subclassification B-5): The construction with prefabricated steel of structures to be used for the support, shelter or enclosure of persons or animals or other chattels.
- 6. COMMERCIAL REMODELING (subclassification B-6): The remodeling and improvement of interior spaces in structures which support, shelter or enclose persons or animals or other chattels, including, without limitation, structures which exceed more than three stories in height and buildings with fewer than three stories that are connected to structures which exceed three stories. The provisions of this subsection do not authorize a person licensed in subclassification B-6 to perform, manage or supervise the installation, removal or modification, temporarily or permanently, of any structural member, mechanical system, fire protection system, or other life safety system.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 8-31-84; 10-17-86; A by R009-15, 12-30-2015)

NAC 624.180 Classification AB: General building and general engineering. (NRS 624.100, 624.220) The Board will grant a "classification AB" license in the branches of general building and general engineering to persons who are qualified to act as both general building (classification B) and general engineering (classification A) contractors. This classification is limited to those applicants or licensees who can show a sufficient degree of experience and financial responsibility to support an unlimited license in both the A and B classifications.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.190 Classification C-1: Plumbing and heating contracting; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of plumbing and heating contracting. The Board designates such a license as a "classification C-1" license. A person who holds a classification C-1 license may perform any of the work authorized for the subclassifications of the classification C-1 license.
- 2. The subclassifications of the classification C-1 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) BOILERS (subclassification C-1a): The installation of boilers and pipes for hot water and steam, including all related fittings, valves, gauges, pumps, radiators, convectors, tanks and lines for fuel oil, chimneys, flues, insulation and other appurtenances.
- (b) FIRE SPRINKLERS (subclassification C-1b): The fabrication and installation of all systems of sprinklers for protection from fire, including the appurtenances.
- (c) INSULATION OF PIPES AND DUCTS (subclassification C-1c): The insulation of pipes, ducts and related equipment.

- (d) PLUMBING (subclassification C-1d): The installation and maintenance of:
- (1) Material and fixtures to create sanitary conditions in buildings by providing a permanent means for a supply of safe water and any sanitary waste and vent systems that are required to ensure the appropriate removal of waste from those buildings;
 - (2) Drainage systems for roofs;
 - (3) Hydronic heating systems not exceeding 200,000 British thermal units;
 - (4) Systems of landscape irrigation;
 - (5) Systems to heat potable water, including, without limitation, solar equipment;
 - (6) A permanent means to supply gas for residential and industrial purposes; and
 - (7) Pipes for compressed air, vacuums and gases for medical use.
- → In addition to any work specified in this paragraph, a person who holds a subclassification C-1d license may install piping for water and gas beginning at the edge of a building and ending at the utility meter for that building.
- (e) SHEET METAL (subclassification C-1e): The fabrication and installation of sheet metal, including, without limitation, cornices, flashings, gutters, leaders, downspouts for rainwater, pans, food service equipment, ducts, louvres, patented chimneys, flues and metal roof systems. The provisions of this paragraph do not authorize a holder of a subclassification C-1e license to install equipment which uses refrigeration as an integral part of the system.
- (f) HEATING, COOLING AND CIRCULATING AIR (subclassification C-1f): The fabrication and installation of systems for the heating, evaporative cooling and circulation of air, including, without limitation, the installation of solar equipment for that purpose. The provisions of this paragraph do not authorize a holder of a subclassification C-1f license to fabricate or install cooling systems which use refrigeration as an integral part of the system.
- (g) PIPES AND VENTS FOR GAS (subclassification C-1g): The installation of pipes from the source of supply of liquefied petroleum and natural gas into a building or structure and the installation of the related vents.
- (h) WATER HEATERS (subclassification C-1h): The installation, replacement and repair of water heaters, including the connection to existing lines for potable water and gas, the necessary venting and other incidental connections.
- (i) CHILLED-WATER PIPING (subclassification C-1i): The fabrication, installation, repair and removal of pipes, pumps, valves and other equipment used in the transfer of chilled water for the control of temperature. The provisions of this paragraph do not authorize a holder of a subclassification C-1i license to fabricate, install, repair, remove or connect to a chiller.
- (j) SYSTEMS TO REPLENISH BREATHING AIR FOR FIREFIGHTERS (subclassification C-1j): The installation, replacement and repair of systems to replenish breathing air for firefighters.
- (k) INDUSTRIAL PIPING (subclassification C-1k): The fabrication, installation, repair and removal of pipes and equipment used for the transmission of water, steam, gas, chemicals, food and other substances for industrial uses.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 7-2-84; R095-07, 8-26-2008)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on August 26, 2008 (LCB File No. R095-07), which amended this section, contains the following provisions not included in NAC:

"On August 26, 2008:

- 1. A person who holds a subclassification C-1a license issued pursuant to the former provisions of paragraph (a) of subsection 2 of <u>NAC 624.190</u> shall be deemed to hold a subclassification C-1a license issued pursuant to the provisions of that paragraph as amended by the provisions of this regulation.
- 2. A person who holds a subclassification C-1c license issued pursuant to the former provisions of paragraph (c) of subsection 2 of <u>NAC 624.190</u> shall be deemed to hold a subclassification C-1c license issued pursuant to the provisions of that paragraph as amended by the provisions of this regulation.
- 3. A person who holds a subclassification C-1d license issued pursuant to the former provisions of paragraph (d) of subsection 2 of <u>NAC 624.190</u> shall be deemed to hold a subclassification C-1d license issued pursuant to the provisions of that paragraph as amended by the provisions of this regulation.



- 4. A person who holds a subclassification C-1e license issued pursuant to the former provisions of paragraph (e) of subsection 2 of <u>NAC 624.190</u> shall be deemed to hold a subclassification C-1e license issued pursuant to the provisions of that paragraph as amended by the provisions of this regulation, but is restricted to the fabrication and installation of sheet metal.
- 5. A person who holds a subclassification C-1f license issued pursuant to the former provisions of paragraph (f) of subsection 2 of <u>NAC 624.190</u> shall be deemed to hold a subclassification C-1f license issued pursuant to the provisions of paragraph (f) of that subsection as amended by the provisions of this regulation.
- 6. A person who holds a subclassification C-1g license issued pursuant to the former provisions of paragraph (g) of subsection 2 of NAC 624.190 shall be deemed to hold a subclassification C-1d license issued pursuant to the provisions of paragraph (d) of that subsection as amended by the provisions of this regulation, but is restricted to the installation of systems for landscape irrigation.
- 7. A person who holds a subclassification C-1h license issued pursuant to the former provisions of paragraph (h) of subsection 2 of <u>NAC 624.190</u> shall be deemed to hold a subclassification C-1g license issued pursuant to the provisions of paragraph (g) of that subsection as amended by the provisions of this regulation.
- 8. A person who holds a subclassification C-1i license issued pursuant to the former provisions of paragraph (i) of subsection 2 of <u>NAC 624.190</u> shall be deemed to hold a subclassification C-1h license issued pursuant to the provisions of paragraph (h) of that subsection as amended by the provisions of this regulation.
- 9. A person who holds a subclassification C-1j license issued pursuant to the former provisions of paragraph (j) of subsection 2 of <u>NAC 624.190</u> and who installs systems for solar water heating shall be deemed to hold a subclassification C-1d license issued pursuant to the provisions of paragraph (d) of that subsection as amended by the provisions of this regulation, but is restricted to the installation of systems for solar water heating.
- 10. A person who holds a subclassification C-1j license issued pursuant to the former provisions of paragraph (j) of subsection 2 of <u>NAC 624.190</u> and who installs systems for solar space heating shall be deemed to hold a subclassification C-1f license issued pursuant to the provisions of paragraph (f) of that subsection as amended by the provisions of this regulation, but is restricted to the installation of systems for solar space heating.
- 11. A person who holds a subclassification C-1k license issued pursuant to the former provisions of paragraph (k) of subsection 2 of NAC 624.190 shall be deemed to hold a subclassification C-1i license issued pursuant to the provisions of paragraph (i) of that subsection as amended by the provisions of this regulation."

NAC 624.200 Classification C-2: Electrical contracting; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of electrical contracting. The Board designates such a license as "classification C-2." A person who has a license designated classification C-2 may:
 - (a) Install any electrical wires, fixtures, appliances, apparatuses, raceways and conduits;
- (b) Install, modify and maintain systems that convert wind energy into electricity if such work is for residential and commercial installations and not scaled or intended solely for the commercial production and sale of electricity; and
- (c) Perform any other work authorized for the subclassifications of a license designated classification C-2.
- 2. The subclassifications of a license designated classification C-2 and the work authorized for persons licensed in the respective subclassifications are:
- (a) ELECTRICAL WIRING (subclassification C-2a): The installation, alteration and repair of electrical wires, fixtures, appliances and apparatuses, and the performance of any related wiring on existing structures.
- (b) INTEGRATED CEILINGS (subclassification C-2b): The installation, alteration and repair of wiring, fixtures, suspensive systems, ducts and other related apparatuses of integrated ceilings which:
 - (1) Are primarily used for interior electrical illumination;
- (2) Are usually composed of modular units, each unit containing an electrical lighting fixture; and
 - (3) Usually contain incidental acoustical tile or a similar material.
- (c) FIRE DETECTION (subclassification C-2c): The installation, alteration and repair of electrical sensors and alarms used to detect heat and smoke, including all appurtenances and related wiring.



- (d) LOW VOLTAGE SYSTEMS (subclassification C-2d): The installation, alteration and repair of systems that use fiber optics or do not exceed 91 volts, including telephone systems, sound systems, cable television systems, closed circuit video systems, satellite dish antennas, instrumentation and temperature controls, computer networking systems and landscape lighting.
- (e) LINES TO TRANSMIT ELECTRICITY (subclassification C-2e): The installation, alteration and repair of overhead or underground secondary lines which transmit electricity, including the installation of poles, towers, anchors, guys, transformers, substations, circuit breakers and any other related hardware, equipment or systems.
- (f) RESIDENTIAL WIRING (subclassification C-2f): The installation, alteration and repair of electrical wires, fixtures, appliances and apparatuses whose electrical current does not exceed 600 volts on new or existing structures which do not exceed more than three stories above the ground.
- (g) PHOTOVOLTAICS (subclassification C-2g): The installation, alteration and repair of photovoltaic cells, batteries and invertors used in the conversion of solar energy into electricity, but not the installation, alteration or repair of electrical wires beyond the service panel, if such work is for residential and commercial installations and not scaled or intended solely for the commercial production and sale of electricity.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 11-6-85; 10-17-86; 11-10-87; 9-13-91; 3-14-94; R048-03, 12-4-2003; R123-04, 9-23-2004; R095-12, 6-23-2014)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on September 23, 2004 (LCB File No. R123-04), which amended this section, contains the following provisions not included in NAC:

"On the effective date of this regulation [September 23, 2004]:

- 1. A person who holds a classification C-2e license that was issued pursuant to the provisions of paragraph (e) of subsection 2 of NAC 624.200 shall be deemed to hold a classification C-2d license issued pursuant to the provisions of paragraph (d) of subsection 2 of NAC 624.200 as amended by the provisions of this regulation.
- 2. A person who holds a classification C-2f license that was issued pursuant to the provisions of paragraph (f) of subsection 2 of <u>NAC 624.200</u> shall be deemed to hold a classification C-2e license issued pursuant to the provisions of paragraph (e) of subsection 2 of NAC 624.200 as amended by the provisions of this regulation.
- 3. A person who holds a classification C-2g license that was issued pursuant to the provisions of paragraph (g) of subsection 2 of NAC 624.200 shall be deemed to hold a classification C-2f license issued pursuant to the provisions of paragraph (f) of subsection 2 of NAC 624.200 as amended by the provisions of this regulation.
- 4. A person who holds a classification C-2h license that was issued pursuant to the provisions of paragraph (h) of subsection 2 of NAC 624.200 shall be deemed to hold a classification C-2g license issued pursuant to the provisions of paragraph (g) of subsection 2 of NAC 624.200 as amended by the provisions of this regulation."

NAC 624.210 Classification C-3: Carpentry, maintenance and minor repairs; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of carpentry, maintenance and minor repairs. The Board designates such a license as "classification C-3." A person who holds a license designated classification C-3 may perform any of the work authorized for the subclassifications of the classification C-3.
- 2. The subclassifications of a license designated classification C-3 and the work authorized for persons licensed in the respective subclassifications are:
- (a) CARPENTRY AND REPAIRS (subclassification C-3a): The construction of form work, framing or rough carpentry necessary to construct framed structures, the installation or repair of individual components of framing systems, rough carpentry or associated work, including the construction or installation of subflooring, siding, exterior staircases and railings, roof decking, truss members and sheathing, and the fabrication, installation and repair of wood and wood products for structural and finishing purposes, such as doors, windows, cabinets and fixtures. Studs and other members within this subclassification may be made of wood, formed sheet metal, vinyl, aluminum and similar products that emulate traditional milled wood and which may be



installed or used with traditional methods of carpentry joinery such as glue, nails, screws and bolts and which do not require welding or other similar forms of joining.

- (b) FINISH CARPENTRY (subclassification C-3b): The installation, repair and finishing of cabinets, sash casing, door casing, wooden flooring, baseboards, countertops and other millwork. Finish carpentry does not include the installation of ceramic tile, marble and artificial or cultured stone.
- (c) INSULATION AND WEATHER STRIPPING (subclassification C-3c): The installation of material used for the insulation of buildings and the application of weather stripping and caulking for the internal control of the effects of weather, including, without limitation, the installation of firestop systems.
- (d) OVERHEAD DOORS (subclassification C-3d): The fabrication, erection and installation of guides, counterweights, tracks, weather stripping, automatic and manual controls, and all other apparatuses and equipment appurtenant to the efficient installation and operation of overhead doors.
- (e) DRYWALL (subclassification C-3e): The installation, taping and finishing of drywall, panels and assemblies of gypsum wallboard, sheathing, acoustical tile and studs made of sheet metal for the framing of ceilings and nonstructural partitioning.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 11-6-85; 1-22-86; 10-17-86; 5-20-92; 4-22-94; R052-04, 7-19-2004; R096-12, 6-23-2014)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on July 19, 2004 (LCB File No. R052-04), which amended this section, contains the following provisions not included in NAC:

"On July 19, 2004:

- 1. A person who holds a classification C-3c license that was issued pursuant to the provisions of paragraph (c) of subsection 2 of NAC 624.210 shall be deemed to hold a classification C-3b license issued pursuant to the provisions of paragraph (b) of subsection 2 of NAC 624.210 as amended by the provisions of this regulation.
- 2. A person who holds a classification C-3d license that was issued pursuant to the provisions of paragraph (d) of subsection 2 of NAC 624.210 shall be deemed to hold a classification C-3c license issued pursuant to the provisions of paragraph (c) of subsection 2 of NAC 624.210 as amended by the provisions of this regulation.
- 3. A person who holds a classification C-3e license that was issued pursuant to the provisions of paragraph (e) of subsection 2 of NAC 624.210 shall be deemed to hold a classification C-3a license issued pursuant to the provisions of paragraph (a) of subsection 2 of NAC 624.210 as amended by the provisions of this regulation.
- 4. A person who holds a classification C-3f license that was issued pursuant to the provisions of paragraph (f) of subsection 2 of NAC 624.210 shall be deemed to hold a classification C-3c license issued pursuant to the provisions of paragraph (c) of subsection 2 of NAC 624.210 as amended by the provisions of this regulation.
- 5. A person who holds a classification C-3g license that was issued pursuant to the provisions of paragraph (g) of subsection 2 of NAC 624.210 shall be deemed to hold a classification C-3e license issued pursuant to the provisions of paragraph (e) of subsection 2 of NAC 624.210 as amended by the provisions of this regulation.
- 6. A person who holds a classification C-3h license that was issued pursuant to the provisions of paragraph (h) of subsection 2 of <u>NAC 624.210</u> shall be deemed to hold a classification C-3b license issued pursuant to the provisions of paragraph (b) of subsection 2 of <u>NAC 624.210</u> as amended by the provisions of this regulation but is restricted to the installation, repair and finishing of countertops.
- 7. A person who holds a classification C-3i license that was issued pursuant to the provisions of paragraph (i) of subsection 2 of NAC 624.210 shall be deemed to hold a classification C-3d license issued pursuant to the provisions of paragraph (d) of subsection 2 of NAC 624.210 as amended by the provisions of this regulation.
- 8. A person who holds a classification C-3j license that was issued pursuant to the provisions of paragraph (j) of subsection 2 of NAC 624.210 shall be deemed to hold a classification C-3e license issued pursuant to the provisions of paragraph (e) of subsection 2 of NAC 624.210 as amended by the provisions of this regulation.
- 9. A person who holds a classification C-3k license that was issued pursuant to the provisions of paragraph (k) of subsection 2 of <u>NAC 624.210</u> shall be deemed to hold a classification C-3a license issued pursuant to the provisions of paragraph (a) of subsection 2 of <u>NAC 624.210</u> as amended by the provisions of this regulation.
- 10. A person who holds a classification C-3l license that was issued pursuant to the provisions of paragraph (I) of subsection 2 of NAC 624.210 shall be deemed to hold a classification C-3a license issued pursuant to the provisions of paragraph (a) of subsection 2 of NAC 624.210 as amended by the provisions of this regulation.
- 11. A person who holds a classification C-3m license that was issued pursuant to the provisions of paragraph (m) of subsection 2 of NAC 624.210 shall be deemed to hold a classification C-3e license issued pursuant to the provisions of paragraph (e) of subsection 2 of NAC 624.210 as amended by the provisions of this regulation."



NAC 624.220 Classification C-4: Painting and decorating; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of painting and decorating. The Board designates such a license as a "classification C-4" license. A person who holds a classification C-4 license may:
 - (a) Apply any type of paint, varnish, shellac, stain, protective coatings and wax;
 - (b) Attach papers, fabrics and plastics to the surfaces of buildings and their appurtenances;
 - (c) Examine and prepare surfaces for painting and wallcovering; and
 - (d) Install drywall, metal studs and acoustical tile.
- 2. The subclassifications of the classification C-4 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) PAINTING (subclassification C-4a): The application of all paints, varnishes, protective coatings, shellacs, stains and other pigment by brush, spray or roller, including the installation and application of polyurethane or similar products.
- (b) WALLCOVERING (subclassification C-4b): The preparation of surfaces and the application to those surfaces of papers, fabrics, plastic foils and such other materials as are generally accepted by contractors as wallcovering materials.
- (c) TAPING AND FINISHING (subclassification C-4c): The taping and finishing of the surfaces of wallboard and sheathing to create a permanent surface.
- (d) SANDBLASTING (subclassification C-4d): The sandblasting of surfaces by use of equipment which is designed to clean, grind, cut or decorate surfaces with a blast of sand or other abrasive propelled by steam or compressed air.
- (e) DRYWALL (subclassification C-4e): The installation and coating of gypsum wallboard and sheathing, including the installation of a system of suspended ceilings made of gypsum wallboard.
- (f) SHEET METAL STUDS (subclassification C-4f): The erection and installation of studs made of sheet metal for the framing of ceilings and for nonstructural partitioning, but not the installation of wood or structural steel for framing.
- (g) ACOUSTICAL TILE (subclassification C-4g): The installation of wood, mineral, fiber and other types of acoustical tile by the use of adhesives or other acceptable materials and the preparation of the surface for the installation.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A by R095-12, 6-23-2014)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on June 23, 2014 (LCB File No. R095-12), which amended this section, contains the following provision not included in NAC:

"Sec. 11. On June 23, 2014:

1. A person who holds a subclassification C-4h license issued pursuant to the provisions of former paragraph (h) of subsection 2 of NAC 624.220, as amended by section 3 of this regulation, shall be deemed to hold a subclassification C-4a license issued pursuant to the provisions of paragraph (a) of subsection 2 of NAC 624.220, as amended by section 3 of this regulation.

* * *"

- NAC 624.230 Classification C-5: Concrete contracting. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of concrete contracting. The Board designates such a license as a "classification C-5" license. A person who holds a classification C-5 license may:
- 1. Prepare the surface and place reinforcement steel and other embedded materials essential to or comprising an integral part of the concrete or concrete construction;
 - 2. Pour, place, finish and install concrete;
 - 3. Construct and assemble forms, molds, slipforms and pans;
 - 4. Apply concrete sealants and other waterproofing products; and



5. Saw, cut, drill and core concrete and asphaltic paving material. (Added to NAC by Contractors' Bd., eff. 8-26-83; A 11-10-87; R054-03, 12-16-2003)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on December 16, 2003 (LCB File No. R054-03), which amended this section, became effective on that date and contains the following provisions not included in NAC:

"On the effective date of this regulation:

- 1. A person who holds a classification C-5a license that was issued pursuant to the provisions of paragraph (a) of subsection 2 of <u>NAC 624.230</u> shall be deemed to hold a classification C-5 license issued pursuant to the provisions of <u>NAC 624.230</u> as amended by the provisions of this regulation.
- 2. A person who holds a classification C-5b license that was issued pursuant to the provisions of paragraph (b) of subsection 2 of NAC 624.230 shall be deemed to hold a classification C-5 license issued pursuant to the provisions of NAC 624.230 as amended by the provisions of this regulation, and is restricted to performing the work set forth in subsection 5 of NAC 624.230 as amended by the provisions of this regulation."

NAC 624.240 Classification C-6: Erecting signs; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of erecting signs. The Board designates such a license as a "classification C-6" license. A person who holds a classification C-6 license may fabricate, install and erect signs and perform the wiring necessary for electrical signs.
- 2. The subclassifications of the classification C-6 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) OUTDOOR ADVERTISING (subclassification C-6a): The fabrication and erection of billboards and outdoor signs in such a manner and with such materials as are generally accepted by contractors for outdoor advertising, but not the installation of electrical lighting in any form for the illumination of the billboards or signs.
- (b) ELECTRICAL SIGNS (subclassification C-6b): The fabrication, installation and erection of electrical signs and the installation of any related wiring.
- (c) SHEET METAL (subclassification C-6c): The work with sheet metal which is necessary and incidental to the construction or erection of signs.
- (d) PAINTED SIGNS (subclassification C-6d): The painting of art and advertising messages on signs.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 9-13-91)

NAC 624.250 Classification C-7: Elevation and conveyance; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of elevation and conveyance. The Board designates such a license as a "classification C-7" license. A person who holds a classification C-7 license may fabricate and install systems designed to transport persons, animals and other chattels in elevators, conveyors, dumbwaiters and escalators, including any appurtenant controls, signal systems, devices and equipment.
- 2. The subclassifications of the "classification C-7" license and the work authorized for persons licensed in the respective subclassifications are:
- (a) ELEVATOR AND DUMBWAITER (subclassification C-7a): The fabrication and installation of elevators and dumbwaiters, including any supplemental systems and equipment.
- (b) ESCALATOR AND CONVEYOR (subclassification C-7b): The fabrication and installation of escalators for the vertical transport of passengers and conveyors for the transport of freight, including any supplemental systems and equipment.
- (c) PNEUMATIC TUBE (subclassification C-7c): The installation of pneumatic conveying systems, including the equipment, tubing, supports and other materials which are incidental or supplemental to pneumatic conveying systems.

(d) MOVING WALKWAY (subclassification C-7d): The installation of equipment to transfer people horizontally, including the preparation of the structure and any other work and materials incidental or supplemental to moving walkways.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

- NAC 624.260 Classification C-8: Glass and glazing contracting. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of glass and glazing contracting. The Board designates such a license as a "classification C-8" license. A person who holds a classification C-8 license may install, repair and replace:
- 1. Glass and glass products, glass holding members, frames and hardware, including, without limitation, the glazing of frames, panels, sash and doors;
- 2. Window walls and store fronts, including, without limitation, the installation of lightweight metal:
 - 3. Automatic and revolving doors; and
 - 4. Enclosures for showers and tubs and toilet partitions.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A by R083-04, 7-19-2004)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on July 19, 2004 (LCB File No. R083-04), which amended this section, contains the following provisions not included in NAC: "On July 19, 2004:

- 1. A person who holds a subclassification C-8a license that was issued pursuant to the former provisions of paragraph (a) of subsection 2 of <u>NAC 624.260</u> shall be deemed to hold a classification C-8 license issued pursuant to the provisions of <u>NAC 624.260</u> as amended by the provisions of this regulation.
- 2. A person who holds a subclassification C-8b license that was issued pursuant to the former provisions of paragraph (b) of subsection 2 of <u>NAC 624.260</u> shall be deemed to hold a classification C-8 license issued pursuant to the provisions of <u>NAC 624.260</u> as amended by the provisions of this regulation.
- 3. A person who holds a subclassification C-8c license that was issued pursuant to the former provisions of paragraph (c) of subsection 2 of <u>NAC 624.260</u> shall be deemed to hold a classification C-8 license issued pursuant to the provisions of NAC 624.260 as amended by the provisions of this regulation.
- 4. A person who holds a subclassification C-8d license that was issued pursuant to the former provisions of paragraph (d) of subsection 2 of <u>NAC 624.260</u> shall be deemed to hold a classification C-8 license issued pursuant to the provisions of <u>NAC 624.260</u> as amended by the provisions of this regulation but is restricted to the installation of enclosures for showers and tubs and toilet partitions.
- 5. A person who holds a subclassification C-8e license that was issued pursuant to the former provisions of paragraph (e) of subsection 2 of <u>NAC 624.260</u> shall be deemed to hold a classification C-8 license issued pursuant to the provisions of <u>NAC 624.260</u> as amended by the provisions of this regulation."
- NAC 624.270 Classification C-9: Movement of buildings. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of the movement of buildings. The Board designates such a license as a "classification C-9" license. A person who holds a classification C-9 license may raise, crib, underpin and move buildings and other structures.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.280 Classification C-10: Landscape contracting. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of landscape contracting. The Board designates such a license as a "classification C-10" license.
- 2. A person who holds a classification C-10 license may grade and prepare plots of land for architectural horticulture, decoratively treat, arrange, plant and maintain gardens, lawns, shrubs, vines, bushes, trees and other vegetation, construct systems of drainage and landscape irrigation, install rocks, sand, gravel and other landscape materials that use xeriscape principles, hydroseed by spraying mulch, seeds and nutrients under pressure, control soil erosion and install nonengineered decorative landscape ponds or nonengineered prefabricated trellises and arbors.
- 3. In conjunction with the work specified in subsection 2, a person who holds a classification C-10 license may install nonload-bearing walkways using brick or stone not exceeding 200 square



feet in area, patio areas using brick or stone not exceeding 400 square feet in area, landscape retaining walls to a height not exceeding 3 feet and landscape lighting not exceeding 24 volts.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 9-13-91; 5-20-92; R209-03, 11-17-2005)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on November 17, 2005 (LCB File No. R209-03), which amended this section, contains the following provisions not included in NAC:

"On the effective date of this regulation [November 17, 2005]:

- 1. A person who holds a subclassification C-10a license that was issued pursuant to the former provisions of paragraph (a) of subsection 2 of <u>NAC 624.280</u> shall be deemed to hold a classification C-10 license issued pursuant to the provisions of NAC 624.280 as amended by the provisions of this regulation.
- 2. A person who holds a subclassification C-10b license that was issued pursuant to the former provisions of paragraph (b) of subsection 2 of <u>NAC 624.280</u> shall be deemed to hold a classification C-10 license issued pursuant to the provisions of <u>NAC 624.280</u> as amended by the provisions of this regulation.
- 3. A person who holds a subclassification C-10c license that was issued pursuant to the former provisions of paragraph (c) of subsection 2 of <u>NAC 624.280</u> shall be deemed to hold a classification C-10 license issued pursuant to the provisions of <u>NAC 624.280</u> as amended by the provisions of this regulation."

NAC 624.290 Classification C-11: Spraying mixtures containing cement. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of spraying mixtures containing cement. The Board designates such a license as a "classification C-11" license. A person who holds a classification C-11 license may spray mixtures containing cement, under pressure, as through a hose.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 9-13-91)

NAC 624.300 Classification C-13: Using sheet metal. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of using sheet metal. The Board designates such a license as a "classification C-13" license. A person who holds a classification C-13 license may fabricate and install sheet metal, including, without limitation, cornices, flashings, gutters, leaders, downspouts for rainwater, pans, food service equipment, ducts, louvres, patented chimneys, flues and metal roof systems. The provisions of this section do not authorize a holder of a classification C-13 license to fabricate or install equipment which uses refrigeration as an integral part of the system.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A by R092-07, 8-26-2008)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on August 26, 2008 (LCB File No. R092-07), which amended this section, contains the following provision not included in NAC:

"On August 26, 2008, a person who holds a classification C-13 license that was issued pursuant to the former provisions of NAC 624.300 shall be deemed to hold a classification C-13 license issued pursuant to the provisions of that section as amended by the provisions of this regulation."

NAC 624.310 Classification C-14: Steel reinforcing and erection; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of steel reinforcing and erection. The Board designates such a license as a "classification C-14" license. A person who holds a classification C-14 license may perform any of the work authorized for the subclassifications of the classification C-14 license.
- 2. The subclassifications of the classification C-14 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) REINFORCING STEEL (subclassification C-14a): The fabrication, placement and tying of steel reinforcing bars (rods), and post-tensioning to reinforce concrete buildings and structures.



- (b) STRUCTURAL STEEL (subclassification C-14b): The fabrication and erection of structural steel shapes and plates used as structural members, or tanks, including any connected riveting, welding and rigging.
- (c) ORNAMENTAL METAL (subclassification C-14c): The assembling, casting, cutting, shaping, stamping, forging, fabricating and installing of metals for the architectural treatment, ornamental decoration or security of structures, but does not include the work authorized by a classification C-13 license issued by the Board in the specialty of using sheet metal.
- (d) CURTAIN WALL (subclassification C-14d): The installation of such materials as are generally accepted by contractors for use as curtain wall materials.
- (e) METAL DOORS AND WINDOWS (subclassification C-14e): The installation of metal doors and frames and metal windows and frames.
- (f) STORE FRONTS (subclassification C-14f): The construction of window walls in the fronts of stores and the installation of lightweight metals to a height not exceeding 25 feet from the threshold of the entrance on the ground floor of the store.
- (g) PREFABRICATED STEEL STRUCTURES (subclassification C-14g): The construction of structures made of prefabricated steel for the support, shelter or enclosure of persons, animals or other chattels.
- (h) AWNINGS AND LOUVRES (subclassification C-14h): The fabrication and installation of awnings and louvres made of wood, fabric, plastics, metal or other acceptable products.
- (i) RIGGING AND CRANES (subclassification C-14i): Rigging as it is customarily accepted by contractors and the operation of cranes.
- (j) CONVEYANCE OF GOODS (subclassification C-14j): The fabrication and installation of conveyor systems, dock levelers and pallet racks designed to transport and move goods and freight, including any appurtenant controls, devices and equipment. The provisions of this paragraph do not authorize a holder of a subclassification C-14j license to install electrical wiring or supply electrical power to conveyor systems, dock levelers or pallet racks designed to transport and move goods and freight.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A by R083-04, 7-19-2004; R095-12, 6-23-2014)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on July 19, 2004 (LCB File No. R083-04), which amended this section, contains the following provisions not included in NAC: "On July 19, 2004:

- 1. A person who holds a subclassification C-14f license that was issued pursuant to the former provisions of paragraph (f) of subsection 2 of <u>NAC 624.310</u> shall be deemed to hold a subclassification C-14e license issued pursuant to the provisions of <u>NAC 624.310</u> as amended by the provisions of this regulation.
- 2. A person who holds a subclassification C-14g license that was issued pursuant to the former provisions of paragraph (g) of subsection 2 of <u>NAC 624.310</u> shall be deemed to hold a subclassification C-14f license issued pursuant to the provisions of <u>NAC 624.310</u> as amended by the provisions of this regulation.
- 3. A person who holds a subclassification C-14h license that was issued pursuant to the former provisions of paragraph (h) of subsection 2 of <u>NAC 624.310</u> shall be deemed to hold a subclassification C-14g license issued pursuant to the provisions of NAC 624.310 as amended by the provisions of this regulation.
 - 4. A person who holds:
- (a) A subclassification C-14i license that was issued pursuant to the former provisions of paragraph (i) of subsection 2 of <u>NAC 624.310</u>; or
- (b) A subclassification C-14j license that was issued pursuant to the former provisions of paragraph (j) of subsection 2 of NAC 624.310,
- ⇒ shall be deemed to hold a subclassification C-14h license issued pursuant to the provisions of <u>NAC 624.310</u> as amended by the provisions of this regulation.
- 5. A person who holds a subclassification C-14k license that was issued pursuant to the former provisions of paragraph (k) of subsection 2 of <u>NAC 624.310</u> shall be deemed to hold a subclassification C-14i license issued pursuant to the provisions of NAC 624.310 as amended by the provisions of this regulation."



NAC 624.320 Classification C-15: Roofing and siding; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of roofing and siding. The Board designates such a license as a "classification C-15" license. A person who holds a classification C-15 license may perform any of the work authorized for the subclassifications of the classification C-15 license.
- 2. The subclassifications of the classification C-15 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) ROOFING (subclassification C-15a): The installation, application, alteration and repair of watertight and weatherproof material used on roofs, such as asphalt, pitch, tar, felt, flax, shakes, shingles, aluminum, tile, slate, urethane and photovoltaic roof tiles intended to serve in place of other existing roofing materials, but not the installation of siding or devices, such as stripping, for the internal control of the effects of weather. The provisions of this paragraph do not authorize a holder of a subclassification C-15a license to install conduits, inverters, batteries or electrical connections.
- (b) SIDING (subclassification C-15b): The installation, alteration and repair of siding, by use of material such as wood, aluminum, enameled steel, plastic and glass, to make the walls of a structure watertight and weatherproof.
- (c) INSULATION (subclassification C-15c): The installation of glass, metal, plastic, urethane and other material used for the insulation of buildings.
- (d) WATERPROOFING (subclassification C-15d): The application of solutions of rubber, latex, asphalt, pitch, tar and other materials to surfaces to prevent water in any form from penetrating the surfaces.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 5-20-92; R095-12, 6-23-2014)

NAC 624.330 Classification C-16: Finishing floors; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of finishing floors. The Board designates such a license as a "classification C-16" license. A person who holds a classification C-16 license may perform any of the work authorized for the subclassifications of the classification C-16 license.
- 2. The subclassifications of the classification C-16 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) COVERING FLOORS (subclassification C-16a): The installation and application to floors of fabrics, carpet, polyurethane and other materials, excluding ceramic tile and marble, generally accepted by contractors as coatings or coverings used to finish floors, including the preparation of the floors for the finishing.
- (b) FINISHING COUNTERS (subclassification C-16b): The finishing of the tops of counters by the installation or application of vinyl, plastic, aluminates and such other materials as are generally accepted by contractors for use on the tops of counters, excluding ceramic tile, marble and artificial or cultured marble.
- (c) PLASTIC TILE AND WALLBOARD (subclassification C-16c): The cutting, forming, fitting and installing of such tile and board as are customarily used by contractors to cover surfaces for waterproofing or decoration within structures, including tile and products which are plastic, coated with plastic, or made of hardboard, fiberglass or other materials which are so accepted by contractors as appropriate for waterproofing and decoration.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 3-22-94; 4-22-94; R095-12, 6-23-2014)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on June 23, 2014 (LCB File No. R095-12), which amended this section, contains the following provision not included in NAC:

"Sec. 11. On June 23, 2014:



* * *

2. A person who holds a subclassification C-16d or C-16e license issued pursuant to the provisions of former paragraph (d) or (e) of subsection 2 of NAC 624.330, as amended by section 6 of this regulation, shall be deemed to hold a subclassification C-16a license issued pursuant to the provisions of paragraph (a) of subsection 2 of NAC 624.330, as amended by section 6 of this regulation.

NAC 624.340 Classification C-17: Lathing and plastering; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of lathing and plastering. The Board designates such a license as a "classification C-17" license. A person who holds a classification C-17 license may perform any of the work authorized for the subclassifications of the classification C-17 license.
- 2. The subclassifications of the classification C-17 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) LATHING (subclassification C-17a): The selection and application of wood and metal lath and any other material or product manufactured to provide key or suction bases for the support of plaster coatings, including channel iron for the support of fireproof lath and solid plaster partitions, but does not include any plastering or erecting of a wall, ceiling or soffit to which the bases are applied.
- (b) PLASTERING (subclassification C-17b): The coating of surfaces with a plaster, made of a mixture of such materials as sand, cement, quicklime, hydrated lime and water, and the installation of lath or other base for the plaster.
- (c) DRYWALL (subclassification C-17c): The installation and coating of gypsum wallboard and sheathing, including the installation of a system of suspended ceilings made of gypsum wallboard.
- (d) ACOUSTICAL TILE (subclassification C-17d): The installation of wood, mineral, fiber and other types of acoustical tile by the use of adhesives or other acceptable means, including the preparation of the surface for the installation.
- (e) COATINGS OF STUCCO AND CEMENT (subclassification C-17e): The application to surfaces, whether by manual or mechanical means, of coatings made of stucco and cement, including the preparation of the surfaces and the provision of a base, including fireproof lath, for the coatings, and the fireproofing of structural members.
- (f) STUDS OF SHEET METAL (subclassification C-17f): The erection and installation of studs made of sheet metal for the framing of ceilings and nonstructural partitioning walls.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 1-22-86)

NAC 624.350 Classification C-18: Masonry. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of masonry. The Board designates such a license as a "classification C-18" license. A person who holds a classification C-18 license may select, cut and lay brick, other baked clay products, rough cut and dressed stone, artificial stone, precast blocks and structural glass brick or block at random or in courses, with or without mortar. The person may not apply tile to existing surfaces.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.360 Classification C-19: Installing terrazzo and marble; subclassifications. (NRS 624.100, 624.220)

1. The Board will grant to qualified applicants a license in the specialty of installing terrazzo and marble. The Board designates such a license as a "classification C-19" license. A person who holds a classification C-19 license may perform any of the work authorized for the subclassifications of the classification C-19 license.



- 2. The subclassifications of the classification C-19 license and the work authorized for persons licensed in the respective subclassification are:
- (a) TERRAZZO (subclassification C-19a): The creation of terrazzo by setting chips of marble, stone or other material in an irregular pattern by use of cement, including the preparation of the surface and the necessary grinding and polishing.
- (b) MARBLE (subclassification C-19b): The selection and cutting of marble or other dressed natural stone and laying it at random, with or without mortar.
- (c) ARTIFICIAL OR CULTURED MARBLE (subclassification C-19c): The cutting and installation of marble-like products, including the examination and preparation of the surface on which they are to be installed.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.370 Classification C-20: Tiling; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of tiling. The Board designates such a license as a "classification C-20" license. A person who holds a classification C-20 license may install, by means of suction and adhesives, ceramic tile, encaustic tile, vitreous tile and other tile-like products except for hollow or structural partitioning tile.
- 2. The subclassifications of the classification C-20 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) PLASTIC TILE AND WALLBOARD (subclassification C-20a): The cutting, forming, fitting and installing of such tile and board as are customarily used by contractors to cover surfaces for waterproofing or decoration within structures, including all tile and products which are plastic, are coated with plastic, or are made of hardboard, fiberglass or other materials generally accepted by contractors as appropriate for waterproofing and decoration.
- (b) SWIMMING POOL TILE AND COPING (subclassification C-20b): The installation and repair of decorative coping stones and ceramic tile on swimming pools and spas.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.380 Classification C-21: Refrigeration and air-conditioning; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of refrigeration and air-conditioning. The Board designates such a license as a "classification C-21" license. A person who holds a classification C-21 license may perform any of the work authorized for the subclassifications of the classification C-21 license.
- 2. Work authorized by a classification C-21 license is not incidental or supplemental to the performance of any other work which may be performed by a specialty contractor.
- 3. The subclassifications of the classification C-21 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) REFRIGERATION (subclassification C-21a): The construction, erection and installation of devices, machinery and units for the control of air temperatures below 50°F in refrigerators, refrigerated rooms and insulated spaces, and installation of any related insulation, ducts, blowers, registers, controls over humidity and thermostatic controls, lines for supplying natural gas from the unit to the point of connection in the existing line for natural gas at the meter or at any point thereafter, electrical service from the unit's device to protect against excessive current to the main electrical panel, but not the installation of other gas or electric services for the devices, machinery or units
- (b) AIR-CONDITIONING (subclassification C-21b): The installation, repair, service and maintenance of equipment, devices, machinery, units and related ductwork which use evaporation, refrigeration, boilers or combustion for the control of air temperatures in structures, including, without limitation, any humidity and thermostatic controls in connection with any such equipment, devices, machinery, units or ductwork.

- (c) SHEET METAL (subclassification C-21c): The fabrication and installation of sheet metal, including, without limitation, cornices, flashings, gutters, leaders, downspouts for rainwater, pans, food service equipment, ducts, louvres, patented chimneys, flues and metal roof systems, but not the fabrication or installation of equipment which uses refrigeration as an integral part of the system.
- (d) MAINTENANCE (subclassification C-21d): The repair and replacement of any parts of existing units or systems of air-conditioning and refrigeration, including the compressors, motors, relays, coils, heat exchangers and other appurtenances and equipment, but not the replacement of complete condenser assemblies on remote systems, air handlers or any work that may alter the design of an existing system.
- (e) SOLAR AIR-CONDITIONING (subclassification C-21e): The installation of the collectors, piping, storage and other equipment used in the conversion of solar energy to energy used for the control of air temperatures.
- (f) CHILLED AND HOT WATER SYSTEMS (subclassification C-21f): The installation of boilers, chillers, coils, cooling towers, piping, pumps, storage tanks, valves and other equipment used in the production and transfer of water for the control of temperatures.
- (g) INDUSTRIAL PIPING (subclassification C-21g): The fabrication, installation, repair and removal of piping and equipment used for the transmission of water, steam, gas, chemicals, food and other substances for industrial uses.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 7-2-84; 8-31-84; 1-22-86; 7-18-88; R091-07, 8-26-2008)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on August 26, 2008 (LCB File No. R091-07), which amended this section, contains the following provisions not included in NAC:

"On August 26, 2008:

- 1. A person who holds a subclassification C-21b license issued pursuant to the former provisions of paragraph (b) of subsection 3 of <u>NAC 624.380</u> shall be deemed to hold a subclassification C-21b license issued pursuant to the provisions of that paragraph as amended by the provisions of this regulation.
- 2. A person who holds a subclassification C-21c license issued pursuant to the former provisions of paragraph (c) of subsection 3 of NAC 624.380 shall be deemed to hold a subclassification C-21c license issued pursuant to the provisions of that paragraph as amended by the provisions of this regulation.
- 3. A person who holds a subclassification C-21f license issued pursuant to the former provisions of paragraph (f) of subsection 3 of <u>NAC 624.380</u> shall be deemed to hold a subclassification C-21f license issued pursuant to the provisions of that paragraph as amended by the provisions of this regulation.
- 4. A person who holds a subclassification C-21g license issued pursuant to the former provisions of paragraph (g) of subsection 3 of <u>NAC 624.380</u> shall be deemed to hold a subclassification C-21f license issued pursuant to the provisions of paragraph (f) of subsection 3 of <u>NAC 624.380</u> as amended by the provisions of this regulation."
- NAC 624.400 Classification C-23: Drilling wells and installing pumps, pressure tanks and storage tanks. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of drilling wells and installing pumps, pressure tanks and storage tanks considered integral to water wells. The Board designates such a license as a "classification C-23" license. A person who holds a classification C-23 license may install and repair water wells, pressure tanks, storage tanks and pumps by boring, drilling, excavating, casing, cementing, dewatering and cleaning to provide a supply of uncontaminated water.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 8-24-88; 4-22-94)

NAC 624.410 Classification C-24: Erecting scaffolds and bleachers. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of erecting scaffolds and bleachers. The Board designates such a license as a "classification C-24" license. A person who holds a classification C-24 license may erect scaffolds, stages and bleachers by the use of such methods as are generally accepted by contractors.

(Added to NAC by Contractors' Bd., eff. 8-26-83)



NAC 624.420 Classification C-25: Fencing and equipping playgrounds. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of fencing and equipping playgrounds. The Board designates such a license as a "classification C-25" license. A person who holds a classification C-25 license may assemble, cut, shape, fabricate and install wood and metal fencing, guardrails and other equipment used in playgrounds.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.430 Classification C-26: Institutional contracting; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of institutional contracting. The Board designates such a license as a "classification C-26" license. A person who holds a classification C-26 license may perform any of the work authorized for the subclassifications of the classification C-26 license.
- 2. The subclassifications of the classification C-26 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) KITCHEN AND LABORATORY EQUIPMENT (subclassification C-26a): The installation of institutional kitchen equipment and laboratory equipment, such as ranges, ovens, stationary counters and tables, shelving partitions, dishwashers and such other equipment as is generally accepted by contractors for use in institutional kitchens and laboratories. Kitchen and laboratory equipment does not include the installation of pressure vessels, the installation of equipment that requires refrigeration as an integral part of the system, the installation of equipment that is integrated into an exhaust system or the installation of equipment that is integrated into a fire suppression system.
- (b) BUILDING ACCESSORIES AND SPECIALTIES (subclassification C-26b): The installation of accessories such as stationary desks, lockers, chalkboards, shelving, storage, seats in auditoriums (excluding stationary bleachers), equipment used on a stage, equipment used in a gymnasium and any other equipment and materials as are generally accepted by contractors for use as building accessories and specialties.
- (c) FLOORS OF GYMNASIUMS (subclassification C-26c): The installation of wood floors of gymnasiums, including the application of urethane to wood or concrete floors to create a finished surface.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A by R091-08, 9-18-2008)

NAC 624.440 Classification C-27: Individual sewerage. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of individual sewerage. The Board designates such a license as a "classification C-27" license. A person who holds a classification C-27 license may lay and install individual systems for sewage disposal, including the installation of individual septic tanks and cesspools.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.450 Classification C-28: Fabricating tanks; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of fabricating tanks. The Board designates such a license as a "classification C-28" license. A person who holds a classification C-28 license may perform any of the work authorized for the subclassifications of the classification C-28 license.
- 2. The subclassifications of the classification C-28 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) FABRICATING TANKS (subclassification C-28a): The fabrication, placement and erection of structural tanks for the retention of liquids, solids and gases, either above or below the ground.



(b) SANDBLASTING AND COATINGS (subclassification C-28b): The sandblasting of and application of coatings to structural tanks used for the retention of liquids, solids and gases, either above or below ground.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 11-29-95)

NAC 624.470 Classification C-30: Installing equipment to treat water. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of installing equipment to treat water. The Board designates such a license as a "classification C-30" license. A person who holds a classification C-30 license may install equipment in existing water lines for the treatment of alkali and other undesirable ingredients in the water.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.480 Classification C-31: Wrecking. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of wrecking. The Board designates such a license as "classification C-31." A person who holds a license designated classification C-31 may:

- 1. Wreck and demolish an existing structure with tools, equipment and explosives; and
- 2. Raise, crib, underpin and move a structure so that alterations, additions and repairs may be made and a new substructure may be built under the permanently retained portion of the structure, but may not alter, add to, repair or renovate the permanently retained portion of the structure.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 10-17-86)

NAC 624.500 Classification C-33: Installing industrial machinery. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of installing industrial machinery. The Board designates such a license as a "classification C-33" license. A person who holds a classification C-33 license may install all industrial machinery, including sawmills, generators, compressors and processors, which is bolted or otherwise attached so as to be permanently affixed to a structure.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.530 Classification C-36: Installing and applying polyurethane or other similar products and coatings. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of installing and applying polyurethane or other similar products and coatings, whether in spray or rigid form, for the thermal insulation of structures, to create watertight and weatherproof roofs, or on existing floors by spreading, spraying or using adhesives. The Board designates such a license as a "classification C-36" license.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A by R095-12, 6-23-2014)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on June 23, 2014 (LCB File No. R095-12), which amended this section, contains the following provision not included in NAC:

"Sec. 11. On June 23, 2014:

3. A person who holds a subclassification C-36a, C-36b or C-36c license issued pursuant to the provisions of former subsection 2 of <u>NAC 624.530</u>, as amended by section 7 of this regulation, shall be deemed to hold a classification C-36 license issued pursuant to the provisions of <u>NAC 624.530</u>, as amended by section 7 of this regulation."

NAC 624.540 Classification C-37: Solar contracting; subclassifications. (NRS 624.100, 624.220)

1. The Board will grant to qualified applicants a license in the specialty of solar contracting. The Board designates such a license as a "classification C-37" license. A person who holds a



classification C-37 license may design, fabricate and install systems for the collection of solar energy to heat and cool water, air and chemicals.

- 2. The subclassifications of the classification C-37 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) WATER HEATING (subclassification C-37a): The installation of systems for the collection of solar energy to heat water for potable uses, but not the installation of pipes or fixtures other than water heaters and storage tanks designed for the use of water so heated.
- (b) SPACE HEATING (subclassification C-37b): The installation of systems for the collection of solar energy to heat water or air which is in turn used to heat structures which house persons, animals or inanimate objects including storage, piping and heat exchangers, but excluding equipment for pools.
- (c) AIR-CONDITIONING (subclassification C-37c): The installation of the collectors, piping, storage and other equipment used in the conversion of solar energy to energy used for the control of air temperatures.
- (d) HEATING OF POOLS (subclassification C-37d): The installation of the collectors, piping and heat exchangers used to heat swimming pools and spas with solar energy, but not the plumbing of swimming pools or the installation of their equipment.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.550 Classification C-38: Installing equipment used with liquefied petroleum and natural gas; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of installing equipment used with liquefied petroleum and natural gas. The Board designates such a license as a "classification C-38" license. A person who holds a classification C-38 license may perform any of the work authorized for the subclassifications of the classification C-38 license.
- 2. The subclassifications of the classification C-38 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) PIPES AND VENTS (subclassification C-38a): The installation of pipes from the source of supply of liquefied petroleum or natural gas into a building or other structure and the installation of the related vents, including the installation of and connections to above-ground tanks that will contain a supply of liquefied petroleum or natural gas.
- (b) GAS APPLIANCES AND EQUIPMENT (subclassification C-38b): The installation of appliances and equipment requiring connection to a supply of liquefied petroleum or natural gas.
- (c) HEATING AND VENTILATING (subclassification C-38c): The fabrication and installation of systems for the heating of air with liquefied petroleum or natural gas and for circulating the air. (Added to NAC by Contractors' Bd., eff. 8-26-83; A by R095-12, 6-23-2014)

NAC 624.560 Classification C-39: Installing heaters. (NRS 624.100, 624.220) The Board will grant to qualified applicants a license in the specialty of installing heaters. The Board designates such a license as a "classification C-39" license. A person who holds a classification C-39 license may install devices for the heating of buildings, including wood-burning devices and their appurtenances. This license does not authorize the holder to install piping, ducting and equipment for transmitting the heated air or water produced by the devices.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.570 Classification C-40: Specialties not authorized by other classifications. (NRS 624.100, 624.220) The Board will issue an unclassified license to qualified applicants for the performance of specialties which are not authorized by a license of any other classification or subclassification. The Board designates such a license as a "classification C-40" license.

(Added to NAC by Contractors' Bd., eff. 8-26-83)



REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on December 16, 2003 (LCB File No. R054-03), which repealed NAC 624.490, 624.510 and 624.520, became effective on that date and contains the following provisions not included in NAC:

"On the effective date of this regulation:

* * *

- 3. A person who holds a classification C-32 license that was issued pursuant to the provisions of <u>NAC 624.490</u> shall be deemed to hold a classification C-40 license issued pursuant to the provisions of <u>NAC 624.570</u>, and is restricted to setting refractories and firebrick, with or without the use of cement or mortar, and preparing the surface for the setting.
- 4. A person who holds a classification C-34 license that was issued pursuant to the provisions of <u>NAC 624.510</u> shall be deemed to hold a classification C-40 license issued pursuant to the provisions of <u>NAC 624.570</u>, and is restricted to installing, laying, finishing and repairing bowling alleys and the equipment used to handle pins and balls, including all equipment and controls required to install automatic scoring systems.
- 5. A person who holds a classification C-35 license that was issued pursuant to the provisions of <u>NAC 624.520</u> shall be deemed to hold a classification C-40 license issued pursuant to the provisions of <u>NAC 624.570</u>, and is restricted to installing vaults, safes and depositories in structures and erecting concrete, masonry and steel vaults, including the installation of automatic tellers for banks."

NAC 624.572 Classification C-41: Fire protection contracting; subclassifications. (NRS 624.100, 624.220)

- 1. The Board will grant to qualified applicants a license in the specialty of fire protection contracting. The Board designates such a license as a "classification C-41" license. A person who holds a classification C-41 license may perform any of the work authorized for the subclassifications of the classification C-41 license.
- 2. The subclassifications of the classification C-41 license and the work authorized for persons licensed in the respective subclassifications are:
- (a) AUTOMATIC FIRE SPRINKLERS (subclassification C-41a): The fabrication, installation, alteration, repair and service of fire protection systems using water, including required pressure and storage tanks, fire pumps and drivers, sprinkler heads and nozzles, and all associated valves and piping. Included in this subclassification is control wiring, any required excavation, backfilling and grading, and piping to a water supply which is not on the premises but is adjacent to the property with the fire protection system.
- (b) FIXED FIRE EXTINGUISHING SYSTEMS (subclassification C-41b): The fabrication, installation, repair and service of fire protection systems using foam, gas or dry chemicals, including pressurized storage tanks, valves, associated piping and sensing and control devices.
- (c) FIRE ALARMS (subclassification C-41c): The installation, alteration, repair and servicing of electrical sensors and alarms used to detect heat and smoke, including all appurtenances and related wiring.
- (d) PRIVATE FIRE HYDRANTS (subclassification C-41d): The inspection, testing, maintenance and repair of existing privately owned fire hydrants, including the replacement of parts within the barrel of a fire hydrant up to and including the first flange directly below the fire hydrant and above the elbow.

(Added to NAC by Contractors' Bd., eff. 11-12-87; A 7-18-88; R095-12, 6-23-2014)

NAC 624.574 Classification C-42: Constructing, altering or improving video service networks. (NRS 624.100, 624.218, 624.220) The Board will grant to qualified applicants a license in the specialty of constructing, altering or improving video service networks. The Board designates such a license as a "classification C-42" license. A person who holds a classification C-42 license may construct, alter or improve video service networks.

(Added to NAC by Contractors' Bd., eff. 12-19-89; A by R093-07, 4-17-2008)

REVISER'S NOTE.

The regulation of the State Contractors' Board filed with the Secretary of State on April 17, 2008 (LCB File No. R093-07), which amended this section, contains the following provision not included in NAC:



"On April 17, 2008, a person who holds a classification C-42 license that was issued pursuant to the former provisions of NAC 624.574 shall be deemed to hold a classification C-42 license issued pursuant to the provisions of that section as amended by the provisions of this regulation."

NAC 624.580 License to build upon or improve own commercial property. (NRS 624.100, 624.220)

- 1. Upon submitting to the Board written evidence of his or her eligibility, the Board will issue to a qualified applicant who is not regularly engaged in the business of construction a license to build upon or improve his or her own commercial property. Such a license does not authorize the holder to perform plumbing, electrical, refrigeration and air-conditioning or fire protection activities for which a contractor's license is required. All such work must be performed by a person who holds a license in the appropriate specialty.
- 2. The Board designates such a license as a "classification E-1" license if it limits the holder to construction of a building or making an improvement which will not exceed three stories in height above the ground.
- 3. The Board designates such a license as a "classification E-2" license if it authorizes the holder to construct a building or make an improvement which will exceed three stories in height above the ground.
- 4. The owner shall obtain a separate license for each piece of his or her property upon which the owner wants to build or make improvements.
- 5. The owner shall not contract with a specialty or other contractor directly, pursuant to his or her contract with the managing contractor, without first obtaining the appropriate classification E license.
- 6. As used in this section, the term "owner" includes a person who leases real property for a term of at least 5 years.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 11-6-85; R095-12, 6-23-2014)

NAC 624.585 Abatement of asbestos without license classified for removal of asbestos. (NRS 624.100, 624.220)

- 1. If a licensed contractor who is engaging in activity for the abatement of asbestos has not obtained a contractor's license which is classified for the removal of asbestos (subclassification A-23), the licensed contractor may not:
- (a) Remove more than 25 linear feet or 10 square feet of asbestos-containing material, as defined in 29 C.F.R. § 1926.1101(b); or
- (b) Exceed the federal standards for permissible exposure limits established in 29 C.F.R. § 1926.1101.
- 2. The provisions of this section do not authorize a licensed contractor to engage in activity for the abatement of asbestos unless the licensed contractor has complied with all other applicable statutes and regulations.
- 3. As used in this section, "activity for the abatement of asbestos" has the meaning ascribed to it in NAC 618.854.

(Added to NAC by Contractors' Bd. by R147-07, eff. 4-17-2008)



LICENSES

NAC 624.590 Application: Separate application for each classification; contents; fees; fingerprint cards; licensure in another state; incomplete application deemed withdrawn. (NRS 624.100, 624.240, 624.250, 624.265)

- 1. A person must make a separate application for each classification of license in which the applicant desires to conduct business.
- 2. The Board will not consider an incomplete application. Each application must include, without limitation:
 - (a) All applicable fees;
- (b) Except as otherwise provided in subsection 3, one of the following types of documentation supporting the experience of the applicant or his or her qualified employee:
- (1) Four or more certificates of work experience completed on a form provided by the Board:
- (2) A current certification as a master issued by a governmental agency in a discipline substantially similar to the requested classification; or
 - (3) Proof of transferable military experience and training;
 - (c) All information which is required to be confirmed by a bank;
 - (d) The financial statement required by NAC 624.593;
- (e) Pursuant to subsection 2 of $\underline{\mathsf{NRS}}$ 624.265, a completed set of fingerprint cards and a form authorizing an investigation of the applicant's background and the submission of the fingerprints to the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation; and
 - (f) Any other information required by the Board.
- 3. The Board will waive the requirements set forth in paragraph (b) of subsection 2 if the applicant or his or her qualified employee:
- (a) Has a minimum of 4 years of experience that is approved by the Board pursuant to <u>NAC</u> 624.615 as a contractor licensed in good standing in the endorsing state;
- (b) Has not been investigated for misconduct as a contractor or had a license revoked, modified, limited, suspended or otherwise disciplined by the endorsing state or any other jurisdiction in which he or she has been licensed;
- (c) Does not have any disciplinary actions or proceedings pending against the applicant or his or her qualified employee by a licensing body in the endorsing state or any other jurisdiction; and
- (d) Provides a completed application pursuant to subsection 2 on the form provided by the Board that includes, without limitation, the endorsing state verifying on a form provided by the Board that the applicant or his or her qualified employee has a valid license.
- 4. The Board shall deem an application to be withdrawn if the Board has not received all the information and fees required to complete the application within 6 months after the date the application is submitted to the Board. If an application is deemed to be withdrawn pursuant to this subsection or if an applicant or his or her qualified employee otherwise withdraws an application, the Board may not issue a license to the applicant or his or her qualified employee unless the applicant or his or her qualified employee submits a new application and pays the required fees.
 - 5. As used in this section:
- (a) "Endorsing state" means any state or territory in the United States, or the District of Columbia, that the Board determines to have requirements for licensing contractors which are substantially equivalent to the requirements for licensing contractors in this State pursuant to <u>NAC 624.615</u>.
 - (b) "Person" means:
 - (1) A natural person;
- (2) A corporation, partnership, limited partnership or limited-liability company that is organized pursuant to the laws of this State; or

(3) A foreign corporation, foreign partnership, foreign limited partnership or foreign limited-liability company that is authorized to do business in this State.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 10-17-86; R109-98, 11-6-98; R106-04, 8-17-2004; R155-05, 12-29-2005; R058-09, 6-30-2010; R042-17, 2-27-2018; R023-19, 10-30-2019)

NAC 624.593 Financial statement. (NRS 624.100, 624.220) If a licensee or an applicant for a contractor's license is required to submit a financial statement to the Board pursuant to NRS 624.262, 624.263 or 624.264, the financial statement must be:

- 1. If the requested monetary limit of the license is \$10,000 or less:
- (a) Prepared by an independent certified public accountant:
- (b) Submitted on a form prescribed by the Board and accompanied by an affidavit that verifies the accuracy of the financial statement; or
- (c) Prepared using accounting software in accordance with generally accepted accounting principles and accompanied by an affidavit that verifies the accuracy of the financial statement.
 - 2. If the requested monetary limit of the license is more than \$10,000 but less than \$50,000:
- (a) Prepared and compiled by an independent certified public accountant within 6 months before the filing of the application; or
- (b) Prepared and reviewed or audited by an independent certified public accountant within 1 year before the filing of the application.
 - 3. If the requested monetary limit of the license is \$50,000 or more but less than \$250,000:
- (a) Prepared and compiled by an independent certified public accountant with full disclosures within 6 months before the filing of the application; or
- (b) Prepared and reviewed or audited by an independent certified public accountant within 1 year before the filing of the application.
- 4. If the requested monetary limit of the license is \$250,000 or more, prepared and reviewed or audited by an independent certified public accountant within 1 year before the filing of the application.

(Added to NAC by Contractors' Bd. by R058-09, eff. 6-30-2010)

NAC 624.600 Examinations; requirements for waiver; retaking upon failure. (NRS 624.100, 624.240)

- 1. If the Board requires an applicant or his or her qualified employee to take an examination, he or she must take and pass an examination administered by an independent testing service.
 - 2. The Board will waive the examination if the applicant or his or her qualified employee:
 - (a) Has taken and passed an examination for licensing contractors that is:
- (1) Offered by an endorsing state and approved by the Board pursuant to <u>NAC 624.615;</u> or
- (2) Accredited by the National Association of State Contractors Licensing Agencies, if the Board determines that the examination for licensing contractors that is accredited by the National Association of State Contractors Licensing Agencies is substantially equivalent to the examination required pursuant to subsection 1; and
- (b) Provides a completed application pursuant to $\underline{NAC~624.590}$ on the form provided by the Board that includes, without limitation:
- (1) The endorsing state verifying on a form provided by the Board that the applicant or his or her qualified employee has taken and passed an examination that is approved by the Board pursuant to NAC 624.615; or
- (2) The transcript of an examination that is accredited by the National Association of State Contractors Licensing Agencies which shows that the applicant or his or her qualified employee has taken and passed such an examination.



- 3. The Board may waive the examination if it is satisfied that the experience and qualifications of the applicant or qualified employee justify granting the license without examination.
- 4. Following any waiting period established by the independent testing service, an applicant or the qualified employee may retake the examination. If the applicant or qualified employee fails a second examination, he or she may take it a third time. The person qualifying for the applicant must take and pass the examination within 6 months after the filing of the application. If he or she fails the third examination, the application becomes void. The applicant may apply again with a new application and fee 30 days or more after the date of the last examination.
- 5. As used in this section, "endorsing state" means any state or territory in the United States, or the District of Columbia, that the Board determines to have requirements for licensing contractors which are substantially equivalent to the requirements for licensing contractors in this State pursuant to NAC 624.615.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 8-31-84; 1-22-86; 10-17-86; 7-18-88; R070-02, 7-1-2002; R117-03, 12-4-2003; R042-17, 2-27-2018)

NAC 624.603 Conditional licensing. (NRS 624.100, 624.220, 624.240)

- 1. The Board may issue a conditional license to an applicant for an original license or for renewal of a license if, after giving the applicant notice and an opportunity to be heard, the Board determines that the issuance of a conditional license to the applicant is in the best interest of the public.
- 2. The Board may summarily suspend a conditional license issued pursuant to this section if the licensee fails to comply with any condition or limitation on the license.
- 3. The Board may recover from the holder of a conditional license the costs incurred by the Board to determine whether the licensee is complying with the conditions imposed on his or her license, including, without limitation, the costs of:
 - (a) Monitoring the activities of the licensee;
 - (b) Reviewing financial or other reports required of the licensee; and
 - (c) Reviewing the licensee's contracts.

(Added to NAC by Contractors' Bd., eff. 12-29-97; A by R011-05, 10-31-2005)

NAC 624.615 Licensure in another state or territory: Determination by Board if requirements for licensure are substantially equivalent to Nevada; maintenance and publication of list of such states and territories; approval of experience and examination. (NRS 624.100, 624.240)

- 1. The Board will:
- (a) Determine if the requirements for licensing contractors in another state or territory of the United States, or the District of Columbia, are substantially equivalent to the requirements in this State for licensing contractors;
- (b) If the Board determines pursuant to paragraph (a) that another state or territory, or the District of Columbia, has requirements for licensing contractors that are substantially equivalent to the requirements for licensing contractors in this State, maintain a list of all such other states or territories, or the District of Columbia; and
- (c) If the Board maintains a list pursuant to paragraph (b), publish the list required pursuant to paragraph (b) on the Internet website maintained by the Board.
- 2. If the Board determines pursuant to subsection 1 that another state or territory of the United States, or the District of Columbia, requires an applicant or his or her qualified employee to obtain experience to be licensed as a contractor in such other state or territory, or the District of Columbia, the Board may approve the experience of the applicant or his or her qualified employee that is obtained in such other state or territory of the United States, or the District of Columbia.



3. If the Board determines pursuant to subsection 1 that another state or territory of the United States, or the District of Columbia, requires an applicant or his or her qualified employee to take and pass an examination to be licensed as a contractor in such other state or territory, or the District of the Columbia, the Board may approve the examination taken and passed by the applicant or his or her qualified employee in such other state or territory of the United States, or the District of Columbia.

(Added to NAC by Contractors' Bd. by R042-17, eff. 2-27-2018)

NAC 624.620 Notice of approval; security bond or cash deposit. (NRS 624.100, 624.240, 624.270) Following the acceptance, investigation and approval of an application, the Board will issue to the applicant a notice of approval. If the applicant does not furnish the required surety bond or cash deposit within 30 days after receiving the notice of approval, the application shall be deemed withdrawn unless the applicant requests and the Board grants an extension of time not to exceed an additional 30 days.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.630 Renewal. (NRS 624.100, 624.283)

- 1. The Board will mail to each licensee, at his or her address of record, an application for the renewal of his or her license. Except as otherwise provided in subsection 2, the licensee must return the completed application to the Board not later than the last day of the month in which the license expires. If the Board prescribes a shorter or longer period of validity for the licensee pursuant to NRS 624.283, the Board will notify the licensee of that fact.
- 2. If the Board has requested that a licensee submit a financial statement with the application for renewal, the licensee must return to the Board, not later than the first day of the month in which the license expires, a completed application, the renewal fee and:
 - (a) For a licensee whose license is issued before June 30, 2010:
 - (1) If the monetary limit of the license is less than \$1,000,000:
 - (I) A current financial statement prepared by an independent certified public accountant;
- (II) A current financial statement submitted on a form prescribed by the Board and accompanied by an affidavit that verifies the accuracy of the financial statement; or
- (III) A current financial statement prepared using accounting software in accordance with generally accepted accounting principles and accompanied by an affidavit that verifies the accuracy of the financial statement; or
- (2) If the monetary limit of the license is \$1,000,000 or more, a financial statement that is prepared and reviewed or audited by a certified public accountant within 1 year before the filing of the application.
- (b) For a licensee whose license is issued on or after June 30, 2010, the financial statement required by NAC 624.593.
 - 3. If a licensee fails:
- (a) To renew his or her license before it expires, a late fee will be charged as set forth in <u>NAC</u> 624.130.
- (b) To attempt renewal within the first 6 months of the new license biennium, the Board will deny, revoke or refuse to renew the license. In either situation, the licensee must apply for a new license.
- 4. If a licensee has filed a timely application for renewal, accompanied by the required fee, but necessary information is lacking, the Board will conditionally renew the license until the information is received. If the information is not received within a reasonable time, the Board will deny the renewal.
- 5. If the completed application for renewal contains information which warrants the action, the Board will impose or reduce the limits upon the license, or remove a classification or subclassification from the license.



(Added to NAC by Contractors' Bd., eff. 8-26-83; A 10-17-86; 11-12-87; R155-05, 12-29-2005; R094-07, 1-30-2008; R058-09, 6-30-2010; R098-12, 12-20-2012)

NAC 624.635 Inactive status. (NRS 624.100, 624.282)

- 1. A contractor may apply to the Board to have his or her license placed on inactive status pursuant to NRS 624.282. The contractor must submit to the Board:
 - (a) An application on a form provided by the Board; and
 - (b) Any unexpired license on active status and any pocket card.
- 2. A contractor whose license has been placed on inactive status may renew that license on the date that the contractor would have renewed his or her license if it were on active status by submitting to the Board an application on a form provided by the Board and the fee set forth in NAC 624.130. Any license that is not renewed on or before the date for renewal automatically expires.
- 3. A license on inactive status that is not placed on active status within 5 years after the date the inactive status is granted will expire.
- 4. A licensee who holds a license on inactive status that is in good standing may apply for active status by:
 - (a) Submitting an application on a form provided by the Board;
 - (b) Paying the fee set forth in NAC 624.130 and any applicable assessments; and
 - (c) Fulfilling any other requirement for an active licensee.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000)

NAC 624.640 Bid or contract void if licensee exceeds scope of license or monetary limit; duties concerning licenses. (NRS 624.100)

- 1. If a licensee bids or contracts outside the scope of his or her license or exceeds the monetary limit placed on the license, the bid or contract is void.
- 2. Each licensee shall prominently display his or her unexpired license or licenses in the licensee's chief place of business and shall exhibit his or her pocket card to any interested person.
- 3. If any change occurs in a licensee's address or personnel which affects the accuracy of the statements in the application upon which his or her license is based, the licensee shall report the change in writing to the Board within 30 days after the change occurs.
- 4. If a license issued by the Board was based in part on the employment of a particularly qualified person, the licensee must continue to employ such a person in order to retain the license.
- 5. Each licensee shall include in all bids the licensee submits or contracts he or she enters into for construction work within this State, the number of his or her license and any monetary limit placed upon the license.
- 6. Each licensee shall ascertain that each person whose bid on a construction project the licensee considers is appropriately licensed.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 4-22-94; R098-12, 12-20-2012)

NAC 624.650 Association with unlicensed person prohibited. (NRS 624.100)

- 1. A licensee shall not permit his or her contracting business to be operated by an unlicensed or unqualified person, under the power of attorney or otherwise.
- 2. Except for corporate stockholders and a spouse's interest as community property, a licensee shall not permit a person to have a proprietary interest in the licensee's contracting business unless that person's name appears on the licensee's license as a partner or party in interest.

(Added to NAC by Contractors' Bd., eff. 8-26-83)



NAC 624.660 Death of licensee; termination or change of partnership. (NRS 624.100)

- 1. The license of a licensee who is a sole proprietor is automatically suspended upon the date of his or her death. If, within 40 days after that date his or her executor, administrator, heirs or successors in interest do not acquire a qualified employee approved by the Board and apply for a new license, the license is revoked.
- 2. After the death of a partner of a licensed partnership other than the sole qualified partner, the license continues in effect until the expiration date of the license. Upon the death of the sole qualified partner, the license is automatically suspended 60 days after the date of death.
 - 3. If a licensed partnership:
 - (a) Is dissolved for a reason other than the death of a partner, the license is revoked.
- (b) Changes partners by adding or removing a partner other than by the death of a partner, the partnership must apply for a new license.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 10-17-86; 9-13-91)

NAC 624.665 Submission of application for certain changes regarding licensee. (NRS 624.100) A licensee shall submit an application to the Board for any change in its:

- 1. Officers or directors, if the licensee is a corporation;
- 2. General partners, if the licensee is a limited partnership; or
- 3. Managers or managing members, if the licensee is a limited-liability company,
- → before or within 30 days after such a change is made.

(Added to NAC by Contractors' Bd. by R109-98, eff. 11-6-98; A by R013-02, 7-2-2002; R094-07, 1-30-2008)

NAC 624.667 Submission of application regarding conversion of business organization of licensee. (NRS 624.100) A licensee shall submit an application to the Board regarding a conversion of the licensee conducted pursuant to chapter 92A of NRS before or within 30 days after such a conversion is made.

(Added to NAC by Contractors' Bd. by R048-03, eff. 12-4-2003)

NAC 624.669 Application for increase in monetary limit on license. (NRS 624.100, 624.220)

- 1. A licensee may submit to the Board a written application for an increase in the monetary limit of his or her license. The application must be made on a form prescribed by the Board.
 - 2. A licensee must submit with the application:
 - (a) All applicable fees;
 - (b) The financial statement required by NAC 624.593; and
 - (c) Any other information required by the Board.

(Added to NAC by Contractors' Bd. by R058-09, eff. 6-30-2010)

NAC 624.670 Application for increase in monetary limit on license for single project. (NRS 624.100, 624.220)

- 1. A licensee may, in accordance with the provisions of <u>NRS 624.220</u>, submit to the Board a written application requesting an increase, for a single project, in the monetary limit on his or her license. Not more than five such applications may be submitted by a licensee during any 12-month period.
 - 2. A licensee must submit with the application:
 - (a) The financial statement required by NAC 624.593; and
 - (b) Any other supporting information the Board requests.
- 3. The Board will approve the application if it finds that the financial status of the licensee is adequate to justify the increase and if the licensee:
- (a) Procures and agrees to maintain any performance or payment bond, or both, that the Board requires; and



- (b) Complies with any other conditions the Board finds necessary to protect the public interest. (Added to NAC by Contractors' Bd., eff. 8-26-83; A 10-17-86; 8-25-97; R155-05, 12-29-2005; R128-08, 9-18-2008; R058-09, 6-30-2010; R034-11, 12-30-2011)
- NAC 624.675 Increase in monetary limit for indemnified licensee or applicant; withdrawal of indemnity. (NRS 624.100, 624.220)
- 1. If an applicant or licensee is indemnified by its officers, directors or any other person, the Board will consider a written request to increase, remove or not place a monetary limit on the license of an applicant or licensee although the financial condition of an applicant or licensee is not adequate to justify such a request.
- 2. If the applicant or licensee is a corporation and the officers or directors are personally indemnifying the corporation, the request must be submitted with:
 - (a) The financial statement required by NAC 624.593; and
- (b) An agreement for indemnification made on a form supplied by the Board which has been signed by each indemnitor and his or her spouse, if any.
- 3. If another corporation will act as an indemnitor for the licensee, the request must be submitted with:
 - (a) A resolution by the directors of the indemnitor in which they approve the indemnification;
 - (b) The financial statement required by NAC 624.593; and
- (c) An agreement for indemnification which is made on the form supplied by the Board and is signed by the appropriate officer of the indemnitor.
- 4. If a natural person will act as indemnitor for the applicant or licensee, the request must be submitted with:
 - (a) The financial statement required by NAC 624.593; and
- (b) An agreement for indemnification made on a form supplied by the Board which has been signed by each indemnitor and his or her spouse, if any.
- 5. Except as otherwise provided in this subsection, if an indemnitor wishes to withdraw his or her agreement for indemnification, the indemnitor must deliver to the Board a written notice of his or her withdrawal. The withdrawal becomes effective 90 days after the Board's receipt of the notice. If the agreement for indemnification was provided as a precondition to the approval by the Board of an increase in the monetary limit on a license pursuant to NAC 624.670, the indemnitor may not withdraw the agreement.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 10-17-86; 4-22-94; R155-05, 12-29-2005; R058-09, 6-30-2010)

NAC 624.678 Issuance of duplicate license. (NRS 624.100) The Board will issue a duplicate license to any licensee who certifies that his or her license has been lost or destroyed. (Added to NAC by Contractors' Bd., eff. 8-26-83) — (Substituted in revision for NAC 624.690)

NAC 624.681 Fee for processing of fingerprint cards. (NRS 624.100, 624.265) Any fingerprint cards required pursuant to subsection 2 of NRS 624.265 and paragraph (e) of subsection 2 of NAC 624.590 must be accompanied by a cashier's check made payable to the "Nevada Highway Patrol" for an amount equal to the sum of the amounts charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprint cards.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R117-03, 12-4-2003; R042-17, 2-27-2018)



CERTIFICATES OF ELIGIBILITY

NAC 624.685 Definitions. (NRS 338.1389, 338.147, 624.100) As used in NAC 624.685 to 624.6899, inclusive, unless the context otherwise requires, the words and terms defined in NAC 624.6853 to 624.6863, inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000)

NAC 624.6853 "Affidavit for a certificate of eligibility" defined. (NRS 338.1389, 338.147, 624.100) "Affidavit for a certificate of eligibility" means an affidavit from a certified public accountant required pursuant to subsection 3 or 4 of NRS 338.1389 or subsection 3 or 4 of NRS 338.147.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R013-02, 7-2-2002)

NAC 624.6855 "Affidavit for renewal of a certificate of eligibility" defined. (NRS 338.1389, 338.147, 624.100) "Affidavit for renewal of a certificate of eligibility" means an affidavit from a certified public accountant required pursuant to subsection 6 of NRS 338.1389 or subsection 6 of NRS 338.147.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000)

NAC 624.6857 "Certificate of eligibility" defined. (NRS 338.1389, 338.147, 624.100) "Certificate of eligibility" means a certificate of eligibility to receive a preference in bidding on public works issued by the Board pursuant to NRS 338.1389 or 338.147.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000)

NAC 624.6859 "Contractor" defined. (NRS 338.1389, 338.147, 624.100) "Contractor" means:

- 1. A general engineering contractor;
- 2. A general building contractor;
- 3. A general engineering and general building contractor; or
- 4. A specialty contractor who is able to act as a prime contractor.
- → who is properly licensed pursuant to the provisions of chapter 624 of NRS.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R081-00, 5-24-2000; R013-02, 7-2-2002)

NAC 624.6863 "Statement of compliance" defined. (NRS 338.1389, 338.147, 624.100) "Statement of compliance" means a statement from a contractor who applies for a certificate of eligibility which states that the contractor is properly licensed pursuant to the provisions of chapter 624 of NRS for the certificate of eligibility for which he or she is applying.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R013-02, 7-2-2002)

NAC 624.687 Prerequisites; separate application for each classification. (NRS 338.1389, 338.147, 624.100)

- 1. A contractor who wishes to obtain a certificate of eligibility must submit to the Board:
- (a) An application on a form provided by the Board:
- (b) A notarized affidavit for a certificate of eligibility on a form provided by the Board;
- (c) A notarized statement of compliance on a form provided by the Board;
- (d) The fee set forth in NAC 624.130; and
- (e) Any other documentation required by the Board.
- 2. For each certificate of eligibility as a general contractor which is requested, the applicant must be a contractor who has been licensed as a general contractor pursuant to the provisions

of <u>chapter 624</u> of NRS for the 5 years immediately preceding the date on which he or she submits the application.

- 3. For each certificate of eligibility as a specialty contractor which is requested, the applicant must be a contractor who has been licensed as a specialty contractor pursuant to the provisions of chapter 624 of NRS for the 5 years immediately preceding the date on which he or she submits the application.
- 4. If an applicant has more than one classification of a license as a contractor, the applicant must submit a separate application for each classification of a license for which a certificate of eligibility is requested and must satisfy all applicable requirements pursuant to NRS 338.1389 or 338.147.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R081-00, 5-24-2000; R013-02, 7-2-2002; R014-07, 10-31-2007)

NAC 624.6873 Application; review of banking records. (NRS 338.1389, 338.147, 624.100)

- 1. An application for a certificate of eligibility must include, without limitation:
- (a) The name of the applicant;
- (b) The license number of the applicant;
- (c) The date of issuance of the license of the applicant;
- (d) The mailing and physical address of the applicant;
- (e) The telephone number of the applicant;
- (f) The name and address of the designated agent for service of process;
- (g) The name of any officer of the applicant and any identifying information;
- (h) The signature of the applicant; and
- (i) Any other information that the Board may require.
- 2. For each classification of a license for which a certificate of eligibility is requested, a certified public accountant shall review and examine any necessary banking records in accordance with generally accepted auditing standards, including, without limitation, bank statements, cancelled checks, electronic transfers, cash disbursement records and any other records that the Board deems appropriate, to substantiate an affidavit for a certificate of eligibility.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R081-00, 5-24-2000)

NAC 624.6876 Issuance or denial. (NRS 338.1389, 338.147, 624.100) The Board or its designee will issue or deny a certificate of eligibility within a reasonable time after the date on which the Board receives the application, all required documentation that supports the application and the fee set forth in NAC 624.130.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000)

NAC 624.6879 Contents of certificate. (NRS 338.1389, 338.147, 624.100) The certificate of eligibility must include, without limitation:

- 1. The date of issuance:
- 2. The date of expiration;
- 3. The classification of the license; and
- 4. Such other information that the Board deems appropriate.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R081-00, 5-24-2000)

NAC 624.6883 Issuance of duplicate certificate. (NRS 338.1389, 338.147, 624.100) The Board will issue a duplicate certificate of eligibility to any contractor who has received a certificate of eligibility and who certifies that his or her certificate of eligibility has been lost or destroyed.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R013-02, 7-2-2002)



NAC 624.6886 Affidavit for renewal. (NRS 338.1389, 338.147, 624.100) An affidavit for renewal of a certificate of eligibility must be on a form provided by the Board and must be notarized.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000)

NAC 624.6889 Issuance of certificate prohibited if license not active; revocation; reapplication. (NRS 338.1389, 338.147, 624.100) The Board will not issue a certificate of eligibility to a contractor whose license is not on active status. If the contractor whose license is not on active status has received a certificate of eligibility, the Board will revoke the certificate of eligibility. Such a contractor must reapply for a certificate of eligibility pursuant to subsection 3 or 4 of NRS 338.1389 or subsection 3 or 4 of NRS 338.147 and NAC 624.685 to 624.6899, inclusive.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R013-02, 7-2-2002)

NAC 624.6893 Disciplinary action. (NRS 338.1389, 338.147, 624.100)

- 1. If a contractor who applies to the Board for a certificate of eligibility submits false or misleading information, submits an application which is incomplete or does not comply with this chapter or chapter 338 or 624 of NRS, the Board may:
 - (a) Deny the application;
- (b) If the contractor has received a certificate of eligibility, revoke the certificate of eligibility; or
 - (c) Take such actions that the Board deems appropriate under the circumstances.
- 2. In carrying out the provisions of this section, the Board may rely on information contained in the records maintained by the Board and need not conduct any investigation, inquiry or hearing regarding the information contained in those records.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R013-02, 7-2-2002)

NAC 624.6896 Written objection filed with public body. (NRS 338.1389, 338.147, 624.100) If a written objection is filed with a public body pursuant to subsection 13 of NRS 338.1389 or subsection 13 of NRS 338.147, the Board will, upon request by the public body, provide to the public body a copy of the application of the contractor against whom the complaint was made and any documentation submitted with the application.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R013-02, 7-2-2002)

NAC 624.6899 Notification to Board of determination by public body; revocation of certificate. (NRS 338.1389, 338.147, 624.100)

- 1. If a public body determines that a written objection is accompanied by the required proof or substantiating evidence pursuant to subsection 14 of <u>NRS 338.1389</u> or subsection 14 of <u>NRS 338.147</u>, the public body shall notify the Board in writing of the determination of the public body within 30 days after the date of its determination.
- 2. Upon receipt of the written documentation from the public body, the Board or its designee will immediately revoke the certificate of eligibility for the contractor. No formal disciplinary hearing is required before revocation of the certificate of eligibility based upon the receipt of the documentation from the public body which received the bid or proposal on a contract for the completion of a public work.

(Added to NAC by Contractors' Bd. by R208-99, eff. 5-24-2000; A by R013-02, 7-2-2002)



GENERAL BUILDING CONTRACTORS: REQUIRED DISCLOSURES

NAC 624.693 Informational form regarding mechanics' and materialmen's liens. (NRS 624.100, 624.600) The informational form that a general building contractor is required to provide regarding mechanics' and materialmen's liens pursuant to paragraph (b) of subsection 3 of NRS 624.600 to the owner of a single-family residence with whom he or she has contracted must be as follows:

'NOTICE TO OWNER'

Pursuant to <u>NRS 108.221</u> to <u>108.246</u>, inclusive, a contractor, subcontractor, laborer, supplier of materials or other person or entity who:

- (1) Performs work or furnishes materials of the value of \$500.00 or more to improve the value of your property; and
 - (2) Is not paid for the work or materials,
- → has a right to place a lien on your property on which the work was performed and to sue you in court to obtain payment.

This means that after a court hearing, your property could be sold by an officer of the court and the proceeds of the sale used to satisfy the amount you owe. If you did not ask for and receive releases of liens from the contractors' subcontractors, laborers or suppliers of materials, a lien may be placed on your property or you may be sued even if you have paid your contractor in full.

To preserve their right to file a claim or lien against your property, certain claimants, such as subcontractors, laborers and suppliers of materials, are each required to provide you with a document called a "preliminary or pre-lien notice." A preliminary or pre-lien notice is not a lien against your property. Its purpose is to notify you regarding persons or entities who may have a right to file a lien or claim against your property if they are not paid. To perfect their lien rights, contractors, subcontractors, laborers and suppliers of materials must file mechanics' liens with the county recorder, which then become recorded liens against your property. Generally, the maximum time allowed for filing a mechanics' lien against your property is 90 days after substantial completion of your project.

TO ENSURE EXTRA PROTECTION FOR YOURSELF AND YOUR PROPERTY, YOU MAY WISH TO TAKE ONE OR MORE OF THE FOLLOWING STEPS:

- (1) Request that your contractor supply you with a payment and performance bond, which guarantees completion of your project and payment of the subcontractors, laborers and suppliers of materials who work on the project. This payment and performance bond is different from the surety bond that a contractor must file for licensure pursuant to NRS 624.270. A payment and performance bond provides that if the contractor does not complete the project, the bonding company will pay damages up to the amount of the bond. This payment and performance bond, as well as a copy of the construction contract, should be filed with the county recorder for your further protection. There is a fee for a payment and performance bond. This fee is usually equal to between 1 and 6 percent of the amount of the contract, depending on the ability of the contractor to be bonded.
- (2) Require that payments be made directly to subcontractors, laborers and suppliers of materials through a mechanism that controls payment for construction. In the area in which you live, services to control the funding of your project may be available, for



- a fee, to control payment of your contractor by the use of vouchers or other means. These services may also provide you with waivers of liens and other forms of protection.
- (3) <u>Issue joint checks for payment</u>, made payable to both your contractor and the subcontractors, laborers and suppliers of materials who were involved in the project or portion of the project for which payment is due and who sent a preliminary or pre-lien notice to you. Those persons or entities have indicated that they may have the right to place a lien on your property, and <u>therefore you need to protect yourself</u>. Making checks jointly payable will help to ensure that all persons due payment are actually paid.
- (4) Require your contractor to provide you with unconditional "waiver and release" (lien release) forms so that when you make a payment on any completed phase of your project, each subcontractor, laborer and supplier of materials involved in that portion of the work for which the payment was made can sign the waiver and release forms. This protects you from liability to them for work for which they have already been paid.
 - Some stationery stores sell waiver and release forms if your contractor does not have them. The subcontractors, laborers and suppliers of materials from whom you obtain releases should be those persons or entities who have filed preliminary or pre-lien notices with you. If you are not certain which subcontractors, laborers and suppliers of materials are working on your project, you may obtain a list from your contractor. In regard to projects involving improvements to a single-family residence or a duplex owned by an individual, the persons signing these releases lose their right to file a mechanics' lien against your property. In regard to other types of projects, obtaining such releases may still be important, but may not provide complete protection.
 - To protect yourself by use of a waiver and release form, you must be certain that all subcontractors, laborers and suppliers of materials who work on your project sign a waiver and release form. If a mechanics' lien has already been filed against your property, in most cases the lien can only be released voluntarily by a recorded "release of mechanics' lien," which is signed by the person or entity that filed the mechanics' lien against your property. However, if the person or entity that filed the lien fails to bring an action to enforce the lien in a timely manner, the lien may be removed without voluntary action on the part of that person or entity. You should not make final payment on your project until all mechanics' liens that are filed against your property have been removed.

TO PROTECT YOURSELF FULLY, YOU SHOULD CONSULT AN ATTORNEY:

- (1) BEFORE YOU SIGN A CONSTRUCTION CONTRACT; OR
- (2) IF A LIEN IS FILED AGAINST YOUR PROPERTY.

(Added to NAC by Contractors' Bd., eff. 12-17-97)

NAC 624.6932 Informational form regarding contractors. (NRS 624.100, 624.600) The informational form that a general building contractor is required to provide regarding contractors pursuant to paragraph (a) of subsection 3 of NRS 624.600 to the owner of a single-family residence with whom he or she has contracted must be as follows:

Contractors are required by law to be licensed and regulated by the State Contractors' Board. The State Contractors' Board has jurisdiction to investigate complaints that are



filed against contractors. Any questions concerning a contractor may be referred to the State Contractors' Board at:

- (1) 9670 Gateway Drive Suite 100 Reno, Nevada 89521 (775) 688-1141; or
- (2) 2310 Corporate Circle Suite 200 Henderson, Nevada 89074 (702) 486-1100.

The law of this State requires that a person or entity who enters into a contract to perform construction work be properly licensed by the State Contractors' Board for the category of work that the person or entity intends to perform. Laws regulating licensed contractors are designed to protect the public. If you contract with a person or entity who is not licensed to perform construction work, your remedies against that person or entity may be limited to a suit in civil court. You may be liable for damages arising out of any injuries to an unlicensed contractor or that contractor's employees, as well as withholding taxes, contributions pursuant to the Federal Insurance Contributions Act and contributions for industrial insurance and unemployment compensation. In addition, you must comply with other applicable state and federal laws regarding employment. Finally, you should be aware that construction performed on your property must comply with all applicable laws, ordinances, building codes and regulations.

A contractor is required to include the contractor's license number on all of his or her advertising, vehicles, bids and contracts. You may contact the State Contractors' Board to find out if a contractor has a valid license and, if so, the status of that license and the status of any disciplinary action by visiting the website of the Board at http://www.nvcontractorsboard.com or calling the Board at one of the telephone numbers listed above.

(Added to NAC by Contractors' Bd., eff. 12-17-97; A by R013-02, 7-2-2002; R148-07, 4-17-2008)

WORK CONCERNING RESIDENTIAL POOLS AND SPAS

NAC 624.695 Definitions. (NRS 624.100) As used in NAC 624.695 to 624.697, inclusive, unless the context otherwise requires, the words and terms defined in NAC 624.69505 to 624.6957, inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Contractors' Bd., eff. 12-17-97; A by R117-01, 4-5-2002; R094-05, 12-29-2005)

NAC 624.69505 "Advertising" defined. (NRS 624.100) "Advertising" means attempting by publication, dissemination, solicitation or circulation to induce, directly or indirectly, any person to enter into any obligation for the repair, restoration, improvement, construction or sale of residential pools or spas.

(Added to NAC by Contractors' Bd. by R117-01, eff. 4-5-2002)



NAC 624.6952 "Contract" defined. (NRS 624.100) "Contract" has the meaning ascribed to it in NRS 624.905.

(Added to NAC by Contractors' Bd., eff. 12-17-97; A by R098-12, 12-20-2012)

NAC 624.6954 "Contractor" defined. (NRS 624.100) "Contractor" has the meaning ascribed to it in NRS 624.910.

(Added to NAC by Contractors' Bd., eff. 12-17-97; A by R094-05, 12-29-2005; R098-12, 12-20-2012)

NAC 624.6956 "Owner" defined. (NRS 624.100) "Owner" means an owner of a single-family residence who enters into a contract for work concerning a residential pool or spa with a contractor.

(Added to NAC by Contractors' Bd., eff. 12-17-97; A by R098-12, 12-20-2012)

NAC 624.6957 "Work concerning a residential pool or spa" defined. (NRS 624.100) "Work concerning a residential pool or spa" has the meaning ascribed to it in NRS 624.915. (Added to NAC by Contractors' Bd. by R094-05, eff. 12-29-2005)

NAC 624.69575 Bond or deposit for protection of consumers. (NRS 624.100, 624.276)

- 1. An applicant for the issuance or renewal of a license to perform work concerning a residential pool or spa who is required to provide a bond or cash deposit solely for the protection of consumers pursuant to <u>NRS 624.276</u> shall submit with his or her application an affidavit that sets forth:
- (a) The aggregate value of all contracts for work concerning a residential pool or spa that the applicant entered into during the 12 months immediately preceding the date of his or her application;
- (b) The aggregate value of all contracts for work concerning a residential pool or spa that the applicant expects to enter into during the 12 months immediately following the date of the application;
- (c) The average dollar value of all contracts for work concerning a residential pool or spa that the applicant entered into during the 12 months immediately preceding the date of the application; and
- (d) The number of contracts for work concerning a residential pool or spa that are pending on the date of the application.
- 2. In fixing the amount of an applicant's bond or cash deposit, the Board will consider the applicant's financial and professional responsibility and the magnitude of his or her operations, but ordinarily the Board will base the amount of the bond or deposit on the greater of the aggregate value of all contracts for work concerning a residential pool or spa that the applicant entered into during the 12 months immediately preceding the date of his or her application or the aggregate value of all contracts for work concerning a residential pool or spa that the applicant expects to enter into during the 12 months immediately following the date of his or her application and fix the amount of the bond or deposit as follows:



License Rond No .

Aggregate value of contracts	Amount of bond or deposit		
\$25,000 or loss	\$10,000		
\$25,000 or less			
25,001 to 50,000			
50,001 to 100,000	. 30,000		
100,001 to 250,000	50,000		
250,001 to 500,000	100,000		
500,001 to 1,000,000	200,000		
1,000,001 to 5,000,000	300,000		
more than 5,000,000	400,000		

- 3. The Board will notify an applicant who is required to provide a bond or cash deposit of the amount the Board has fixed.
- 4. An applicant who disagrees with the amount of the bond or deposit fixed by the Board may petition the Board to reconsider the amount. The petition must:
- (a) Be addressed to the Executive Officer of the Board and filed with the Board within 10 days after the applicant receives notification of the amount;
 - (b) Set forth specific reasons why the amount fixed by the Board should be modified; and
- (c) Include all documentary evidence in support of the petition that the applicant wishes the Board to consider.
- → Within 30 days after receiving a timely filed petition, the Board or its designee will fully consider the issues raised in the petition, fix the amount of the bond or deposit and notify the applicant of the amount. The amount of the bond or deposit fixed after reconsideration may be less than, greater than or the same as the amount originally fixed.
- 5. The Board will provide a blank form of a bond to each applicant required to provide such a bond. The bond will be in substantially the following form:

RESIDENTIAL POOL AND SPA LICENSE BOND FOR THE PROTECTION OF CONSUMERS

Election Bolid 140			
KNOW ALL PERSO	NS BY THESE PRESENTS:		
ofsurety bonds under obligations are rated "Surety"), are held	r the provisions of the Nevad "A" or better by a nationally reco and firmly bound to the Stat 	, as principal (hereinafter "F , a corporation licens da Insurance Code, and whognized rating agency, as sure te of Nevada in the full and	Principal"), and ed to execute ose long-termety (hereinafter of just sum of
•	e, the Principal and Surety bind the essors and assigns, jointly and s	•	•



THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

Whereas, the principal has applied for or holds a contractor's license with the Nevada State Contractors' Board pursuant to <u>Chapter 624</u> of Nevada Revised Statutes to perform work concerning residential pools and spas.

NOW, THEREFORE, this bond is made in favor of the State of Nevada solely for the benefit of a consumer who entered into a contract with a contractor to perform work concerning a residential pool or spa and:

- (a) Is damaged by the failure of the contractor to perform the contract or to remove liens filed against the property; or
- (b) Is injured by any unlawful act or omission of the contractor in the performance of a contract. If an action is commenced on this bond, the Surety shall notify the Board of the action within thirty (30) days after: (a) being served with a complaint and summons; or (b) the action is commenced, whichever occurs first. The total aggregate liability of the Surety for all claims shall be limited to the face amount of the bond, irrespective of the number of years the bond is in force or the number of claims filed. The Surety shall have the right to terminate its suretyship under this obligation by serving written notice of its election so to do upon the State Contractors' Board, at its office in Reno, Nevada, by certified mail at least sixty (60) days prior to the date of termination of suretyship. Thereafter, the Surety shall be discharged from liability hereunder for any default of the Principal occurring after the date of termination. The liability of the Surety shall be confined to acts, omissions or defaults of the Principal occurring subsequent to the effective date hereof. NO ACTION MAY BE COMMENCED on this bond after the expiration of two (2) years following the commission of the act upon which the action is based.

IN THE EVENT the Surety shall make any payments hereunder, without awaiting Court action, the bond amount shall be reduced to the extent of any payment made by the Surety in good faith under the bond, provided the Surety shall notify the Board, in writing, within ten (10) days of any payments made hereunder.

, , , , , , , , , , , , , , , , , , ,	d said Surety have executed this instrument on the day of
Ву:	Bv.
(SIGNATURE OF NEVADA AGENT) Agent License No.:	By:(SIGNATURE OF PRINCIPAL)
	Surety:
	(SIGNATURE OF ATTORNEY-IN-FACT) POWER OF ATTORNEY MUST BE ATTACHED

6. An applicant required to provide a bond or cash deposit must file the properly executed bond on the form provided by the Board or establish the deposit within 30 days after receiving the original or reconsidered notification from the Board of the amount of the bond or deposit required. (Added to NAC by Contractors' Bd. by R094-05, eff. 12-29-2005)

NAC 624.6958 Requirements for contracts. (NRS 624.100, 624.940) A contractor shall ensure that each contract for work concerning a residential pool or spa that the contractor enters into:

- 1. Is evidenced in writing and that any changes to the contract are also evidenced in writing.
- 2. In addition to each provision required by <u>NRS 624.940</u>, contains the following, each of which must be printed in at least 10-point bold type:
 - (a) A schedule of payments that meets the requirements of NAC 624.6964;



- (b) An agreement by the contractor to provide to each subcontractor or supplier prompt and full payment upon completion of each stage or phase of construction for the contracted amount of services rendered or materials supplied; and
- (c) A statement that upon satisfactory payment being made for any portion of the work performed, the contractor shall, in accordance with subsection 3 of <u>NAC 624.6966</u> and before any further payment is requested or made, provide to the owner a full and unconditional release from any claim of mechanic's lien for that portion of the work for which payment has been made.
- 3. Is signed by the contractor or a person named on his or her license. (Added to NAC by Contractors' Bd., eff. 12-17-97; A by R117-01, 4-5-2002; R098-12, 12-20-2012)

NAC 624.696 Additional provisions in contract. (NRS 624.100, 624.940) A contract for work concerning a residential pool or spa may, in addition to the items required pursuant to NAC 624.6958, contain any provision agreed to by the parties.

(Added to NAC by Contractors' Bd., eff. 12-17-97; A by R098-12, 12-20-2012)

NAC 624.6964 Requirements for schedule of payments; exceptions. (NRS 624.100, 624.940) Except as otherwise provided in this section, a schedule of payments that is required to be included in a contract for work concerning a residential pool or spa pursuant to subsection 2 of NAC 624.6958 and any payment made pursuant to that schedule must comply with the following requirements:

- 1. The schedule of payments must be stated in dollars and cents and must, for each payment, specifically reference the amount of work or services to be performed and any materials and equipment to be supplied or installed.
- 2. The schedule of payments must not set a timetable for the completion of any stage or phase of the project that exceeds 30 days, unless completion of the stage or phase is delayed by an act of God or the owner agrees in writing to a longer period.
- 3. Except as otherwise provided in subsection 4, the schedule of payments must not provide for the contractor to receive, nor may the contractor actually receive, payments in excess of 100 percent of the contracted amount for any stage or phase of the work performed on the project at any time, excluding any applicable finance charges.
- 4. The schedule of payments may provide for the owner to pay to the contractor a down payment that complies with the provisions of paragraph (g) of subsection 2 of <u>NRS 624.940</u>.
- 5. Payment for any stage or phase of the work performed for the contracted amount, as set forth in the schedule of payments, must not be due until the completion of that stage or phase of construction.
- 6. A contractor may require final payment for the final stage or phase of the construction of a residential pool or spa after the completion of the plastering and the final inspection by the local building department, unless any installation of equipment, decking or fencing that is required in the contract is not completed.
- 7. The requirements set forth in subsections 1 to 6, inclusive, do not apply if the contract provides for:
- (a) The contractor to furnish a bond for payment and performance covering full performance and completion of the contract;
 - (b) Full payment to be made upon satisfactory completion of the entire project; or
 - (c) A schedule of payments to commence upon satisfactory completion of the entire project. (Added to NAC by Contractors' Bd., eff. 12-17-97; A by R098-12, 12-20-2012)

NAC 624.6966 Duties of contractor. (NRS 624.100, 624.930, 624.935, 624.940)

1. A contractor who receives an initial payment of \$1,000 or 10 percent of the aggregate contract price, whichever is less, pursuant to a contract for work concerning a residential pool or



spa shall start the work within 30 days after the date all necessary permits for the work, if any, are issued, unless the person who made the payment agrees in writing to a longer period to apply for the necessary permits or start the work or to longer periods for both.

- 2. A contractor who receives money pursuant to a contract for work concerning a residential pool or spa shall complete the work diligently and shall not refuse to perform any work for any 30-day period.
- 3. If satisfactory payment is made for any portion of the work performed, the contractor shall, before any further payment is made, furnish the owner a full and unconditional release from any claim of mechanic's lien for that portion of the work for which payment has been made.
- 4. The requirements of subsection 3 do not apply if the contract provides for the contractor to furnish a bond for payment and performance covering full performance and completion of the contract and the bond is furnished by the contractor.
- 5. At the time the owner signs the contract, the contractor shall furnish the owner a legible copy of all documents signed and a written and signed receipt for any money paid to the contractor by the owner.
 - 6. The contractor shall apply for and obtain all necessary permits in a timely manner. (Added to NAC by Contractors' Bd., eff. 12-17-97; A by R098-12, 12-20-2012)

NAC 624.6967 Practices constituting deceptive advertising. (NRS 624.100, 624.945) A contractor engages in deceptive advertising if, in the course of his or her business or occupation, the contractor:

- 1. Knowingly makes a false representation as to the source, sponsorship, approval or certification of goods or services for work concerning a residential pool or spa or the sale of a residential pool or spa.
- 2. Knowingly makes a false representation as to affiliation, connection, association with or certification by another person or entity.
- 3. Represents that goods or services for work concerning a residential pool or spa or the sale of a residential pool or spa are of a particular standard, quality or grade, or that such goods are of a particular style or model, if the contractor knows or reasonably should know that the goods or services are of another standard, quality or grade or that the goods are of another style or model.
- 4. Makes false or misleading statements of fact concerning the price of goods or services for work concerning a residential pool or spa or the sale of a residential pool or spa or the reasons for, existence of, or amounts of reductions in price.
- 5. Fraudulently alters any contract, written estimate of repair, written statement of charges or other document in connection with work concerning a residential pool or spa or the sale of a residential pool or spa.
- 6. Knowingly makes any false representation in a transaction for work concerning a residential pool or spa or the sale of a residential pool or spa.
- 7. Makes any untrue statement of a material fact in an advertisement for the repair, restoration, improvement, construction or sale of residential pools or spas.
- 8. Fails to disclose a material fact in connection with advertising for the repair, restoration, improvement, construction or sale of residential pools or spas.
- 9. Disparages the goods, services or business of another by false or misleading representation of fact.
 - 10. Advertises goods or services with the intent not to sell them as advertised.
- 11. Advertises goods or services for the repair, restoration, improvement, construction or sale of residential pools or spas with the intent not to supply reasonably expected public demand, unless the advertisement discloses a limitation of quantity.



- 12. Advertises that a residential pool or spa can be completed within a certain number of days, unless at least 51 percent of the residential pools or spas the contractor has completed were completed within the advertised number of days.
- 13. Fails to complete a project for work concerning a residential pool or spa or the sale of a residential pool or spa within the time set forth in an advertisement of the contractor.
- 14. As a part of an advertising plan or scheme, notifies a person, by any means, that the person has won a prize and that as a condition of receiving the prize the person must enter into a contract for work concerning a residential pool or spa or the sale of a residential pool or spa.
- 15. Advertises for work concerning residential pools or spas or the sale of residential pools or spas:
- (a) Using an illustration of a pool or spa and setting forth a price, if the price does not accurately reflect the completed residential pool or spa as illustrated.
- (b) Setting forth an offer for financing of the project, unless the advertisement identifies the person through which the financing will be obtained and the annual percentage rate that will be charged for the financing.
- 16. Provides a contract for work concerning a residential pool or spa or the sale of a residential pool or spa that contains terms which are less favorable than the terms the contractor advertised.

(Added to NAC by Contractors' Bd. by R117-01, eff. 4-5-2002; A by R098-12, 12-20-2012)

NAC 624.69675 Prohibited advertising practices; sale to builder who is also owner of pool or spa. (NRS 624.031, 624.100, 624.945)

- 1. A contractor shall not:
- (a) Engage in deceptive advertising or "bait and switch" advertising in connection with the sale of contracts for work concerning residential pools or spas or the sale of residential pools or spas.
- (b) Sell a residential pool or spa for installation pursuant to the exemption set forth in subsection 4 of <u>NRS 624.031</u> unless the contractor provides to the builder who is also the owner of the residential pool or spa a copy of the provisions of <u>NRS 278.573</u>, subsection 4 of <u>NRS 624.031</u> and NRS 624.930.
- 2. As used in this section, "bait and switch" advertising has the meaning ascribed to it in <u>NRS</u> 624.945.

(Added to NAC by Contractors' Bd. by R117-01, eff. 4-5-2002; A by R098-12, 12-20-2012)

NAC 624.6968 Compliance with applicable federal, state or local law. (NRS 624.100) The provisions of NAC 624.695 to 624.697, inclusive, do not relieve a contractor of the duty to comply with any other applicable federal, state or local law.

(Added to NAC by Contractors' Bd., eff. 12-17-97)

NAC 624.697 Effect of failure to comply with requirements of law. (NRS 624.100, 624.940) If a contractor, while carrying out duties preparatory to entering into or pursuant to a contract for work concerning a residential pool or spa, fails to comply with one or more of the provisions of NRS 624.900 to 624.965, inclusive, and NAC 624.695 to 624.697, inclusive, such failure:

- 1. Renders the contract unenforceable against the owner; and
- 2. Constitutes cause for disciplinary action pursuant to <u>NRS 624.300</u>. (Added to NAC by Contractors' Bd., eff. 12-17-97; A by R098-12, 12-20-2012)

DISCIPLINARY ACTION AND PRACTICE BEFORE THE BOARD

NAC 624.6975 Definitions. (NRS 624.100) As used in NAC 624.6975 to 624.7296, inclusive, unless the context otherwise requires, the words and terms defined in NAC 624.6978 to 624.6987, inclusive, have the meanings ascribed to them in those sections.



(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R022-04, 4-30-2004; R146-07, 4-17-2008)

NAC 624.6978 "Complaint" defined. (NRS 624.100) "Complaint" means a document issued by the Executive Officer of the Board to a respondent that includes a short and plain statement alleging a violation of a provision of this chapter or chapter 624 of NRS.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.6981 "Contested case" defined. (NRS 624.100) "Contested case" has the meaning ascribed to it in NRS 233B.032.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.6984 "Notice of hearing" defined. (NRS 624.100) "Notice of hearing" means a document that includes the information required by NRS 233B.121.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.6987 "Respondent" defined. (NRS 624.100) "Respondent" means a licensee or an applicant for a contractor's license who is charged in a complaint with a violation of the provisions of this chapter or chapter 624 of NRS.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.699 Receipt of written documents by Board. (NRS 624.100) A written document shall be deemed received by the Board if the document is:

- 1. Filed at the office of the Board in Henderson, Nevada, or Reno, Nevada, and addressed to the Executive Officer of the Board; or
 - 2. Presented to the Board at a hearing.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.700 Allegations against licensees; investigations; authority of Executive Officer. (NRS 624.100, 624.335)

- 1. Any aggrieved person may file with the Board an allegation against any licensee. The allegation must:
 - (a) Be written and signed;
 - (b) Describe the specific grievance; and
 - (c) Include any related documentation.
- 2. If the Board finds that an investigation is necessary, the Board's staff shall commence the investigation within 10 days after the date the allegation was filed.
- 3. If it appears from the investigation that a licensee may have violated the provisions of this chapter or chapter 624 of NRS, the Executive Officer may:
 - (a) Request the licensee to take appropriate corrective action;
- (b) Request the licensee to meet informally with the Board's staff and the complainant to resolve the issue;
- (c) Require the licensee to appear before the Board and show cause why disciplinary action should not be taken against the licensee; and
- (d) Take such other actions as the Executive Officer deems appropriate under the circumstances.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A 11-6-85; R014-02, 7-2-2002; R190-03, 1-22-2004)



NAC 624.705 Qualifications of person serving as hearing officer. (NRS 624.100, 624.2545) A person serving as a hearing officer to whom the Board has delegated its authority pursuant to NRS 624.140 or 624.2545 must:

- 1. Be an attorney in good standing licensed to practice law in this State;
- 2. Have at least 5 years of experience as an attorney licensed to practice law in this State or another state which includes, without limitation, preparing for, participating in or reviewing formal hearings or trials in civil actions or administrative proceedings at the federal, state or local level; and
 - 3. Possess one of the following qualifications:
- (a) Have at least 5 years of experience as an attorney licensed to practice law in this State or another state practicing in the fields of construction law, bankruptcy law and the licensing of contractors; or
 - (b) Be a former:
 - (1) Judge of a state court of general jurisdiction;
 - (2) Federal judge; or
 - (3) Federal magistrate judge.

(Added to NAC by Contractors' Bd. by R013-19, eff. 10-30-2019)

NAC 624.710 Notice of address change; probation in lieu of immediate suspension or revocation of license. (NRS 624.100)

- 1. The address of an applicant or licensee which is on file with the Board shall be deemed to be his or her correct address. An applicant or licensee shall provide to the Board, within 30 days, written notice of any change of his or her address.
- 2. If the Board has grounds to suspend or revoke a contractor's license or otherwise discipline a contractor, the Board may place the contractor on probation until the contractor completes his or her existing contracts and may thereafter suspend or revoke his or her license or otherwise discipline the contractor.

(Added to NAC by Contractors' Bd., eff. 8-26-83; A by R081-01, 11-8-2001; R014-02, 7-2-2002)

NAC 624.713 Notice of contemplated action: Contents; response. (NRS 624.100)

- 1. A notice that the Board provides to a licensee pursuant to NAC 624.7256 will include:
- (a) A copy of the complaint;
- (b) The date by which the licensee is required to submit an answer or responsive pleading and any supporting documents to the Board;
- (c) A statement that the licensee is entitled to a hearing only if the licensee complies with the provisions set forth in paragraph (b); and
- (d) A statement that the failure of the licensee to comply with the provisions of subsection 2 may cause the Board to enter a default order against the licensee.
- 2. The answer required by paragraph (b) of subsection 1 must be in writing, signed by the respondent or his or her representative, and include a specific response to each allegation in the complaint. The response must admit or deny the allegation, or state that the respondent has insufficient information to admit or deny the allegation.

(Added to NAC by Contractors' Bd. by R081-01, eff. 11-8-2001; A by R014-02, 7-2-2002)

NAC 624.716 Notice of contemplated action: Hearing; default order; request for reconsideration. (NRS 624.100)

1. If a licensee receives a notice from the Board pursuant to <u>NAC 624.7256</u>, the licensee is entitled to a hearing only if the licensee complies with the provisions of paragraph (b) of subsection 1 of <u>NAC 624.713</u>. If the licensee fails to comply with those provisions, the Board will hold a hearing to determine whether it will enter a default order against the licensee.

- 2. The Board may consider at the hearing:
- (a) The complaint and any amended complaints provided to the licensee;
- (b) Any notices provided to the licensee pursuant to NAC 624.7256;
- (c) Any communication between the Board and the licensee; and
- (d) Any other evidence relating to the allegations set forth in the complaint or amended complaints.
 - 3. The Board may:
- (a) Include evidence presented at the hearing in its findings of fact and conclusions of law; and
 - (b) Enter a default order against the licensee.
 - 4. If the Board enters a default order against the licensee, the Board will:
- (a) Send to the licensee by certified mail, return receipt requested, a copy of the default order, including any findings of fact and conclusions of law, not later than 10 days after the Board enters its order; and
 - (b) Take such disciplinary action against the licensee as it deems appropriate.
- 5. A licensee against whom a default order is entered may submit to the Board a written request for reconsideration of the order not later than 15 days after receiving a copy of the order. The written request must set forth the reasons for reconsideration by the Board.
- 6. The Board or its designee will review the request to determine whether there is good cause for reconsideration of the order. If the Board or its designee determines that good cause for reconsideration exists, the Board or its designee will schedule a hearing and notify the licensee, in writing, of the time and place of the hearing.

(Added to NAC by Contractors' Bd. by R081-01, eff. 11-8-2001; A by R014-02, 7-2-2002; R190-03, 1-22-2004)

NAC 624.720 Notice of impaired financial responsibility or violation of law. (NRS 624.100) If the Board believes that a licensee's financial responsibility is impaired or that he or she is in violation of chapter 624 of NRS or this chapter, the Board will so notify the licensee.

(Added to NAC by Contractors' Bd., eff. 8-26-83)

NAC 624.725 Administrative citation: Service; contents. (NRS 624.100, 624.341, 624.361) A written administrative citation issued pursuant to NRS 624.341 may be served by personal service on the person named in the administrative citation, or a designated representative thereof, or by certified mail to the address of record of the person and must include, to the extent applicable:

- 1. The name and last known business or residential address of the person:
- 2. A numbered identification of the person;
- 3. The date on which the citation is issued;
- 4. The number of the citation:
- 5. A list of the sections of this chapter or <u>chapter 624</u> of NRS which the person is alleged to have violated and a description of the alleged violation;
 - 6. Corrective actions, if any, ordered against the person;
 - 7. Administrative fines, if any, to be assessed against the person;
- 8. The reimbursement costs, if any, which the person is ordered to pay to cover the costs of any investigation;
 - 9. The date by which the person must complete any corrective actions ordered;
- 10. The date by which the person must pay any administrative fines or reimbursement of investigative costs;
- 11. A description of the manner in which the person may contest the citation, including, without limitation, the period during which the person may contest the citation and the consequences of failing to contest the citation timely;

- 12. The signature of the Executive Officer or his or her designee; and
- 13. Any other information required by the Board.

(Added to NAC by Contractors' Bd. by R067-01, eff. 12-17-2001; A by R022-04, 4-30-2004; R146-07, 4-17-2008)

NAC 624.72505 Administrative citation: Withdrawal. (NRS 624.100, 624.341) A written administrative citation issued pursuant to NRS 624.341 may be withdrawn:

- 1. By the Board at any time.
- 2. By the Executive Officer of the Board:
- (a) Before the citation is deemed a final order of the Board pursuant to NRS 624.345; or
- (b) If the cited person contests the citation, before the commencement of the hearing required pursuant to NRS 624.351.

(Added to NAC by Contractors' Bd. by R146-07, eff. 4-17-2008)

NAC 624.7251 Administrative fine: Specification of violation; amount. (NRS 624.100, 624.300, 624.341, 624.361, 624.710)

- 1. If the Board or its designee issues an order imposing an administrative fine pursuant to the provisions of this chapter and <u>chapter 624</u> of NRS, each such fine assessed by the Board or its designee must:
 - (a) Specify the violation for which the person is being cited; and
- (b) Subject to the provisions of subsections 2, 3 and 4, be in an amount which is not less than the minimum amount or more than the maximum amount as follows for the violation:

Violation	Minimum Fine	Maximum Fine
NRS 624.301	\$1,000	\$10,000
Paragraph (a) of subsection 1 or subparagraph (4) of		
paragraph (b) of subsection 1 of NRS 624.3011.	500	10,000
Subparagraph (1), (2) or (3) of paragraph (b) of		
subsection 1 of NRS 624.3011	1,000	10,000
Subsection 1, 2 or 3 of NRS 624.3012	1,000	10,000
Subsection 4 of NRS 624.3012	500	10,000
Subsection 1 or 4 of NRS 624.3013	250	10,000
Subsection 2 of NRS 624.3013	1,000	10,000
Subsection 3 of NRS 624.3013	500	10,000
Subsection 5 of NRS 624.3013	50	10,000
NRS 624.3014	100	50,000
Subsection 1 or 6 of NRS 624.3015	250	10,000
Subsection 2, 3 or 4 of NRS 624.3015	1,000	50,000
Subsection 5 of NRS 624.3015	500	10,000
Subsection 1, 2, 4, 6, 7 or 8 of NRS 624.3016	250	10,000
Subsection 3, 5, 10 or 11 of NRS 624.3016	500	10,000
Subsection 9 of NRS 624.3016	100	10,000
Subsection 1 of NRS 624.3017	500	10,000
Subsection 2 of NRS 624.3017	50	10,000
Subsection 3 of NRS 624.3017	100	10,000
Subsection 1 of NRS 624.302	1,000	50,000
Subsection 5 or 6 of NRS 624.302	250	10,000
Subsection 7 of NRS 624.302	1,000	10,000
Subsection 1 of NRS 624.305	1,000	50,000



Violation	Minimum Fine	Maximum Fine		
NRS 624.520	100	250		
Subsection 1 of <u>NRS 624.700</u>	1,000	50,000		
Subsection 1, 3 or 4 of NRS 624.720	1,000	50,000		
NRS 624.740	1,000	50,000		

- 2. In determining the amount of an administrative fine to be imposed pursuant to subsection 1, the Board or its designee will consider the factors set forth in paragraphs (a), (b) and (c) of subsection 4 of NRS 624.300 and paragraphs (a), (b) and (c) of subsection 2 of NRS 624.710, as applicable.
- 3. Unless otherwise prohibited by law, the Board or its designee may reduce or stay a fine assessed pursuant to subsection 1 pending completion of a training program or examination required by the Board.
- 4. The Board or its designee will assess the maximum fine listed in subsection 1 only if one or more of the following circumstances apply:
 - (a) The cited person has a history of violating the same or similar sections of NRS;
 - (b) The administrative citation specifies more than one violation;
 - (c) The cited person has exhibited bad faith by ignoring written warnings;
 - (d) The violation or violations have caused harm to other persons;
- (e) The violation or violations were perpetrated against a senior citizen or a person with a disability; or
 - (f) The violation or violations involved a construction project costing more than \$500,000.

(Added to NAC by Contractors' Bd. by R022-04, eff. 4-30-2004; A by R118-06, 6-28-2006; R146-07, 4-17-2008; R019-14, 10-24-2014)

NAC 624.72512 Order for corrective action: Determination to include in administrative citation. (NRS 624.100, 624.341) In addition to any other factors that the Board uses to determine whether an administrative citation issued pursuant to NRS 624.341 should include an order for corrective action, the Board will consider:

- 1. Whether compliance with such an order would result in excessive destruction or substantial waste to the existing construction on the construction project;
- 2. The willingness of the owner of the construction project to allow such corrective action; and
- 3. A determination by the Executive Officer or his or her designee that the licensee is able to perform the corrective action.

(Added to NAC by Contractors' Bd. by R022-04, eff. 4-30-2004)

NAC 624.72514 Order for corrective action: Determination of time permitted for compliance. (NRS 624.100, 624.341, 624.361) In determining the time permitted for compliance with an order for corrective action, as required to be stated in a written citation pursuant to NRS 624.341, the Board will determine the time for compliance with the order by considering, without limitation:

- 1. The accepted industry practice regarding the performance of the work necessary to comply with the order for corrective action, in the climate or weather conditions of the area in which the construction project is located.
- 2. The number of days during which the owner of the construction project will make the site of the construction project available for the contractor to comply with the order for corrective action.
- 3. The time necessary to obtain materials required for the contractor to comply with the order for corrective action.

(Added to NAC by Contractors' Bd. by R022-04, eff. 4-30-2004)

NAC 624.72516 Order for corrective action: Extension of time for compliance. (NRS 624.100, 624.341, 624.361)

- 1. A licensee who is issued an administrative citation pursuant to <u>NRS 624.341</u> which includes an order for corrective action may request an extension of time to comply with the order.
 - 2. A request for an extension made pursuant to this section must:
 - (a) Be submitted in writing to the Executive Officer:
- (b) Set forth an explanation of the efforts made by the licensee to comply with the order for corrective action; and
- (c) Be received by the Executive Officer or his or her designee before the expiration of the time allowed for compliance with the order set forth in the citation.
- 3. The Executive Officer or his or her designee may, upon a showing of good cause, grant a request for an extension made pursuant to this section.

(Added to NAC by Contractors' Bd. by R022-04, eff. 4-30-2004)

NAC 624.72518 Order for corrective action: Responsibility of licensee for performance by hired licensee. (NRS 624.100, 624.300, 624.341) If a licensee who is issued an administrative citation pursuant to NRS 624.341 which includes an order for corrective action hires and pays another licensee to perform the corrective action pursuant to subparagraph (3) of paragraph (f) of subsection 1 of NRS 624.300, the cited licensee is responsible for any failure of the hired licensee to comply with the order for corrective action included in the citation.

(Added to NAC by Contractors' Bd. by R022-04, eff. 4-30-2004)

NAC 624.7253 Liberal construction of provisions governing practices in contested cases; deviation from provisions. (NRS 624.100)

- 1. The provisions of <u>NAC 624.6975</u> to <u>624.7296</u>, inclusive, govern practices in any contested case before the Board, and the Board will liberally construe those provisions to determine all matters before the Board in a just, speedy and economical manner.
- 2. The Board may allow a deviation from the provisions of <u>NAC 624.6975</u> to <u>624.7296</u>, inclusive, if the Board determines that the deviation would not have a material adverse effect on the substantial interests of the parties and good cause for the deviation exists. If the Board allows such a deviation, it will include in the record the deviation and the reasons for the deviation.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R022-04, 4-30-2004)

NAC 624.7256 Time and place of hearing; notice; time for objection. (NRS 624.100)

- 1. The Board will:
- (a) Set the date, time and place of a hearing for a contested case; and
- (b) At least 21 days before the hearing, send a copy of the complaint and notice of hearing by certified mail, return receipt requested, to the respondent at the address on file with the Board, or by personal service in the manner provided in NRS for service in civil actions. The complaint and notice of hearing may be included in the same document. A proof of service must be attached to the original of any document that is served by mail.
- 2. There is a rebuttable presumption that a complaint and notice of hearing has been received by a respondent 10 days after the date the complaint and notice of hearing is deposited with the United States Postal System.
- 3. An objection that any notice required by <u>NAC 624.6975</u> to <u>624.7296</u>, inclusive, was not provided in the manner set forth in those provisions will be deemed waived unless the objection is raised by the respondent before the introduction of any evidence into the record at a hearing of the Board.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R022-04, 4-30-2004)



NAC 624.7259 Addition or dismissal of cause for disciplinary action; amendment or withdrawal of complaint. (NRS 624.100)

- 1. The Executive Officer of the Board may add or dismiss a cause for disciplinary action against a respondent before the Board holds a hearing on that cause of action.
- 2. The Board or the Executive Officer of the Board may amend a complaint at any time. Notice of an amended complaint must be given in the same manner as a notice of an original complaint. The Board will grant a continuance if an amendment materially alters the complaint in such a way that the respondent will be unable to prepare his or her case in a timely manner.
- 3. The Executive Officer of the Board may withdraw a complaint at any time before the Board holds a hearing on the complaint. After the hearing is commenced, only the Board may withdraw a complaint.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R190-03, 1-22-2004)

NAC 624.7263 Request for continuance; granting of continuance. (NRS 624.100)

- 1. A respondent or his or her representative may request a continuance of a hearing upon a showing of good cause. A request for a continuance must be submitted to the Executive Officer of the Board in writing on a form prescribed by the Board. The request must be received by the Executive Officer at least 10 days before the hearing.
- 2. A request for a continuance must specify the reasons constituting good cause for granting the continuance. A request for a continuance that is received less than 10 days before the hearing must indicate that the request is the result of an emergency which arose less than 10 days before the hearing.
- 3. The Executive Officer of the Board may grant a continuance before a hearing is held. The Board may grant a continuance at any time after the hearing is commenced.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.7266 Form of papers submitted to Board. (NRS 624.100) All papers submitted to the Board by a party in a contested case must be typewritten on one side only, on white paper that is 8 1/2 by 11 inches in size. The first page of each document must include the names of the parties in the contested case and the number, if any, assigned to the case by the Board.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.7269 Consolidation of contested cases. (NRS 624.100) The Board may consolidate two or more contested cases if the Board determines that the issues are substantially similar and the interests of the parties will not be prejudiced by the consolidation. The presiding officer of the hearing will determine the order of procedure at a consolidated hearing.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.7273 Motions: Contents; opposition; written reply; decision by Board. (NRS 624.100)

- 1. A party may only make those motions set out in subsection 2 of <u>NRS 622A.360</u>. A motion, unless made at a hearing, must be made in writing.
- 2. A written motion must set forth the nature of the relief requested and the grounds for the relief.
- 3. A party who wishes to oppose a motion must serve and file a written response to the motion not later than 10 days after receiving the motion.
- 4. The moving party may serve and file a written reply only if an opposition to the motion has been served and filed.
 - 5. The Board or its designee may issue a decision on a motion without oral argument.
- 6. If the Board or its designee wishes to oppose a motion, the Board or its designee is not required to serve or file a written response to the motion.



(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R190-03, 1-22-2004; R098-12, 12-20-2012)

NAC 624.7276 Subpoenas: Application; issuance and service. (NRS 624.100, 624.170)

- 1. A party may apply to the Board for the issuance of a subpoena pursuant to <u>NRS 624.170</u>. An application for the issuance of a subpoena must:
 - (a) Be submitted in writing;
- (b) Include a statement of the facts that demonstrate the reasons why the subpoena is necessary; and
- (c) Be received by the Board at least 10 days before the hearing for which the subpoena is issued.
 - 2. If the Board issues a subpoena, the party who requests the subpoena shall:
- (a) Serve a copy of the subpoena on all other parties in the manner prescribed by <u>Rule 45</u> of the Nevada Rules of Civil Procedure;
 - (b) File proof of such service with the Board; and
- (c) Pay the costs related to the issuance and service of the subpoena. The Board may require payment of the costs before the issuance of the subpoena.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.7279 Representation of parties; rules of conduct; provision of information to attorney; withdrawal of attorney; consideration of evidence or exhibits. (NRS 624.100)

- 1. Any party who appears at a hearing may represent himself or herself or may be represented by an attorney licensed to practice law in this State.
- 2. Each person who appears at a hearing shall comply with the standards of ethical and courteous conduct required in the courts of this State. If a person fails to comply with those standards of conduct, the Board may:
 - (a) Exclude the person or his or her representative from the hearing; or
 - (b) Terminate the hearing.
- 3. If a party is represented by an attorney, the Board will provide to the attorney any notice, document or other paper that the Board is required to provide to the party.
- 4. An attorney may withdraw from representing a party if the attorney provides written notice of his or her withdrawal to the Board and the party whom he or she represented.
- 5. The Board may refuse to consider any documentary evidence or exhibit presented by a party at a hearing if the evidence or exhibit was not provided to the staff of the Board at least 10 calendar days before the date of the hearing.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R190-03, 1-22-2004)

NAC 624.7283 Failure to appear; presentation of evidence. (NRS 624.100)

- 1. The failure of a party to appear at a hearing shall be deemed a waiver of the party's right to present evidence. After presentation to the Board of an offer of proof that the absent party was given proper notice, and upon a determination by the Board that proper notice was given to the absent party, the Board may hear evidence without the participation of the absent party and may make its decision based on such evidence.
 - 2. The Board may limit the time each party is allowed to present evidence. (Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002)

NAC 624.7286 Order of proceedings. (NRS 624.100)

- 1. Except as otherwise provided in this section, a hearing in a contested case will be conducted in the following order:
 - (a) The hearing will be called to order and the parties will be introduced on the record.



- (b) The complaint, notice of hearing, answer and the file of the Board that relates to the complaint may be placed in evidence.
 - (c) Any preliminary motions or stipulations will be considered.
 - (d) The Board or its attorney will present its case.
 - (e) The respondent will present his or her case.
 - (f) If allowed by the Board, rebuttal evidence and closing arguments will be presented.
 - (g) The Board may deliberate the case.
 - 2. A member of the Board may question a witness at any time.
- 3. The Board may waive any provision of this section, including taking witnesses out of order, to expedite or ensure the fairness of the hearing.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R190-03, 1-22-2004)

NAC 624.7289 Examination of witnesses. (NRS 624.100)

- 1. A party may call any other party or witness as an adverse witness. The party may question such a witness as if conducting a cross-examination.
- 2. A party who is surprised by the testimony of a witness, called in good faith as a witness on his or her behalf, may question the witness as if conducting a cross-examination.
 - 3. All testimony to be considered at a hearing must be taken under oath. (Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R190-03, 1-22-2004)

NAC 624.7293 Petition for rehearing or reconsideration. (NRS 624.100) Except as otherwise provided by law:

- 1. A petition for a rehearing or reconsideration of a decision issued by the Board must be served on all parties not later than 15 calendar days after the date of service of a copy of the decision. The petition must state the specific grounds upon which relief is requested.
- 2. Any responses to a petition must be served not later than 15 calendar days after the receipt of the petition.
- 3. If a respondent submits a petition for reconsideration of a decision issued by the Board, the Board or its designee will review the petition to determine whether there is good cause for a reconsideration of the decision.
- 4. If a respondent submits a petition for a rehearing and wishes to present new evidence, the respondent must provide to the Board a statement setting forth the reasons for his or her failure to introduce the new evidence at the previous hearing and a detailed description of the new evidence proposed to be introduced.
- 5. The Board or its designee will review a petition for a rehearing or reconsideration. A decision concerning the petition will be made not later than 15 calendar days after the petition is filed with the Board. If a new hearing is ordered, the decision concerning the petition will include the time, date and place of the hearing and the reasons for ordering a new hearing. The hearing will be conducted not later than 90 calendar days after the final decision of the Executive Officer.
- 6. The Board or its designee will provide notice of its order approving or denying the petition to all parties at least 5 days before the expiration of the period for filing a petition for judicial review.
- 7. If a rehearing is conducted, the Board may require the respondent to pay the costs of the rehearing.

(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R190-03, 1-22-2004)

NAC 624.7296 Computation of periods. (NRS 624.100) Except as otherwise provided by law, in computing periods for the purposes of carrying out the provisions of NAC 624.6975 to 624.7296, inclusive, the first day on which any act occurs that causes a period to begin to run is not counted, and the last day of the period is counted, unless the last day is a Saturday, Sunday or legal holiday. If the last day is a Saturday, Sunday or legal holiday, the period runs until the end of the next day which is not a Saturday, Sunday or legal holiday.



(Added to NAC by Contractors' Bd. by R014-02, eff. 7-2-2002; A by R022-04, 4-30-2004)

COMPLAINTS SEEKING RECOVERY

NAC 624.730 Definitions. (NRS 624.100, 624.560) As used in NAC 624.730 to 624.770, inclusive, unless the context otherwise requires, the words and terms defined in NAC 624.735 and 624.740 have the meanings ascribed to them in those sections.

(Added to NAC by Contractors' Bd. by R068-01, eff. 11-8-2001)

NAC 624.735 "Claimant" defined. (NRS 624.100, 624.560) "Claimant" means an injured person who files a complaint seeking recovery pursuant to NRS 624.400 to 624.560, inclusive, and NAC 624.730 to 624.770, inclusive.

(Added to NAC by Contractors' Bd. by R068-01, eff. 11-8-2001)

NAC 624.740 "Complaint seeking recovery" defined. (NRS 624.100, 624.560) "Complaint seeking recovery" means a complaint filed with the Board by an injured person pursuant to NRS 624.400 to 624.560, inclusive, and NAC 624.730 to 624.770, inclusive, seeking a monetary recovery from the Recovery Fund.

(Added to NAC by Contractors' Bd. by R068-01, eff. 11-8-2001)

NAC 624.745 Accompanying document required. (NRS 624.100, 624.560) The Board will not make an award on a complaint seeking recovery unless the complaint seeking recovery is accompanied by a certified copy of a civil judgment or a certified copy of a final decision and order issued by the Board or its designee.

(Added to NAC by Contractors' Bd. by R068-01, eff. 11-8-2001)

NAC 624.750 Claim: Form and contents; prerequisites to approval; changes in information; action by Executive Officer of Board; closing and reopening. (NRS 624.100, 624.560)

- 1. A complaint seeking recovery must be filed on a form entitled "Residential Recovery Fund Claim" that will be provided by the Board. A complaint seeking recovery must include, without limitation:
- (a) The name, address and telephone number of the claimant filing the complaint seeking recovery:
- (b) The name, address, license number and telephone number, if known, of the accused residential contractor;
 - (c) A description of:
- (1) The facts concerning the alleged failure by the accused residential contractor to perform qualified services adequately; and
 - (2) The nature and extent of the claimed loss;
 - (d) The date on which, or the period during which, the alleged loss occurred;
 - (e) A copy of the original contract and all change orders, credits, refunds or discounts;
- (f) Copies of the front and back of all cancelled checks payable to the contractor, subcontractor or supplier that support the claim;
- (g) Proof of any cash payment that supports the claim and a signed receipt from the contractor, subcontractor or supplier, if applicable; and
 - (h) A copy of a perfected lien, if applicable.
- 2. The Board will not approve a complaint seeking recovery until 30 days after the date on which the civil judgment was issued by the court or the final decision and order was issued by the Board or its designee, as appropriate.
- 3. If, after a complaint seeking recovery is filed, any information in the complaint changes, the claimant shall forthwith notify the Board of the change.

- 4. The Executive Officer of the Board or his or her designee may request additional information or documentation to support the complaint.
- 5. The Executive Officer of the Board will issue a subpoena pursuant to <u>NRS 624.170</u>, if appropriate, upon the request of a claimant to assist the claimant in obtaining appropriate documentation pursuant to this section.
- 6. The Executive Officer of the Board or his or her designee may require a claimant to obtain and submit an itemized bid from a contractor licensed in this State for an estimate of the cost to complete a repair of the original work. The estimate must include only the cost of the repair or replacement of the original work and must not include any enhancement, improvement or upgraded service or material.
 - 7. A claim that includes:
 - (a) A false or altered document;
- (b) A document, billing, receipt or estimate that is found to include an enhancement, improvement, upgraded service or material; or
 - (c) Work or repair that is outside the scope of the original contract,
- → will be automatically denied by the Executive Officer of the Board or his or her designee and will not be considered by the Board or a committee appointed pursuant to NAC 624.755.
- 8. The Board will not approve a payment from the Residential Recovery Fund until the claimant has provided complete documentation of the claim, as determined by the Executive Officer of the Board or his or her designee.
- 9. The Executive Officer of the Board or his or her designee will advise the claimant by certified mail that the requirements of subsection 4 of <u>NRS 624.500</u> are being tolled pending receipt of additional documentation to support the claim if the claim cannot be investigated and processed within 6 months after receipt of the claim. The letter from the Executive Officer of the Board or his or her designee will include an identification of the specific documents that the Board is requesting and a period within which the documents must be produced.
- 10. If, within 6 months after filing a claim or within the period specified pursuant to subsection 9, a claimant cannot provide adequate documentation to support the claim, the claim will be closed. A claim may be reopened upon receipt by the Board of all the documents the Executive Officer of the Board or his or her designee has requested from the claimant.

(Added to NAC by Contractors' Bd. by R068-01, eff. 11-8-2001; A by R201-03, 1-22-2004)

NAC 624.755 Procedure for processing: Notice to accused contractor; investigation; hearing. (NRS 624.100, 624.560)

- 1. Upon receiving a complaint seeking recovery, the staff of the Board shall:
- (a) Send a copy of the complaint seeking recovery, by certified mail, to the address of record of the accused residential contractor named in the complaint seeking recovery; and
 - (b) Commence an investigation into the facts alleged in the complaint seeking recovery.
- 2. When necessary, the Chair of the Board may appoint a committee to hear complaints seeking recovery filed with the Board or appoint a specific committee to hear a specific complaint seeking recovery. Such a committee will act as the designee of the Board.
- 3. A hearing on a complaint seeking recovery before the Board or an appointed committee is informal, and the Board or appointed committee will consider all relevant testimony and evidence presented. The written report of the results of the investigation conducted by the staff must be made a part of the record of the hearing.
 - 4. A claimant or an accused residential contractor:
- (a) May appear before the Board or appointed committee to present evidence and arguments in support or defense of a claim.
- (b) Shall appear before the Board or appointed committee to present evidence and arguments in support or defense of a claim upon the request of any member of the Board or appointed committee.

- 5. The Board may refuse to consider any documentary evidence or exhibit presented by a party at a hearing if the documentary evidence or exhibit was not provided to the staff of the Board at least 10 calendar days before the date of the hearing.
- 6. If the Executive Officer of the Board or his or her designee determines that each complaint is complete as received, complaints seeking recovery will be investigated in the order in which the complaints are received.

(Added to NAC by Contractors' Bd. by R068-01, eff. 11-8-2001; A by R201-03, 1-22-2004)

NAC 624.760 Determination; final order. (NRS 624.100, 624.560)

- 1. In making its determination on a complaint, the Board or appointed committee will consider all matters relevant to the complaint seeking recovery, including, without limitation:
 - (a) The financial condition of the Recovery Fund:
- (b) The nature of the complaint seeking recovery and the amount of money sought to be recovered by the claimant; and
- (c) If there is more than one claimant, the equitable division of available money from the Recovery Fund among the claimants.
- 2. The Board or appointed committee will authorize payment of the complaint seeking recovery in full or in part, or deny the claim in full or in part, by entry of a final order.

(Added to NAC by Contractors' Bd. by R068-01, eff. 11-8-2001)

NAC 624.765 Claimant's agreement with Board. (NRS 624.100, 624.560) As a condition of receiving payment from the Recovery Fund, a claimant must enter into an agreement with the Board pursuant to which the Board is subrogated to the rights of the claimant against the accused residential contractor, the estate of the accused residential contractor or a third party for an amount equal to the amount of money paid from the Recovery Fund to the claimant plus the amount of all costs incurred by the Board in recovering that amount of money from the accused residential contractor, the estate of the accused residential contractor or the third party. The agreement must provide that the claimant will cooperate with the Board in any proceeding commenced to recover such money from the accused residential contractor, the estate of the accused residential contractor or the third party.

(Added to NAC by Contractors' Bd. by R068-01, eff. 11-8-2001)

NAC 624.770 Procedure upon final order approving payment. (NRS 624.100, 624.560)

- 1. If the Board or appointed committee issues a final order approving in full or in part a complaint seeking recovery, the Board or appointed committee will forward:
- (a) A copy of the final order approving the complaint seeking recovery to the Accounting Office of the Board; and
- (b) A copy of the complaint seeking recovery and the final order to the Office of the Attorney General so that the Attorney General may commence efforts to enforce any subrogation claims against the accused residential contractor.
- 2. The Accounting Office of the Board shall not commence procedures for the disbursement of money pursuant to a final order approving a complaint seeking recovery until 30 days after the date on which the Board or appointed committee issued the final order.

(Added to NAC by Contractors' Bd. by R068-01, eff. 11-8-2001; A by R201-03, 1-22-2004)

QUESTIONS AND DISPUTES CONCERNING CONSTRUCTIONAL DEFECTS

NAC 624.780 Definitions. (<u>NRS 40.6887</u>) As used in <u>NAC 624.780</u> to <u>624.795</u>, inclusive, unless the context otherwise requires, the words and terms defined in <u>NAC 624.781</u> to <u>624.791</u>, inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)



NAC 624.781 "Appurtenance" defined. (NRS 40.6887) "Appurtenance" has the meaning ascribed to it in NRS 40.605.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.782 "Board" defined. (NRS 40.6887) "Board" means the State Contractors' Board or its designee.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.783 "Claimant" defined. (NRS 40.6887) "Claimant" has the meaning ascribed to it in NRS 40.610.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.784 "Constructional defect" defined. (NRS 40.6887) "Constructional defect" has the meaning ascribed to it in NRS 40.615.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.785 "Contractor" defined. (NRS 40.6887) "Contractor" has the meaning ascribed to it in NRS 40.620.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.786 "Design professional" defined. (NRS 40.6887) "Design professional" has the meaning ascribed to it in NRS 40.623.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.788 "Request" defined. (NRS 40.6887) "Request" means a question or dispute that concerns any matter which may affect or relate to a constructional defect, including, without limitation, questions concerning the need for repairs, the appropriate method for repairs, the sufficiency of any repairs that have been made and the respective rights and responsibilities of homeowners, claimants, contractors, subcontractors, suppliers and design professionals, submitted to the Board pursuant to the provisions of NRS 40.6887.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.7885 "Requester" defined. (NRS 40.6887) "Requester" means a claimant or any contractor, subcontractor, supplier or design professional who submits a request to the Board. (Added to NAC by Contractors' Bd. by R046-05, eff. 9-7-2005)

NAC 624.789 "Residence" defined. (NRS 40.6887) "Residence" has the meaning ascribed to it in NRS 40.630.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.790 "Subcontractor" defined. (NRS 40.6887) "Subcontractor" has the meaning ascribed to it in NRS 40.632.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.791 "Supplier" defined. (NRS 40.6887) "Supplier" has the meaning ascribed to it in NRS 40.634.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004)

NAC 624.792 When request is deemed to have been submitted to Board. (NRS 40.6887) For the purposes of subsection 3 of NRS 40.6887, the Board will deem a request to have been submitted to the Board when:



- 1. The request has been received by the Board;
- 2. All the materials and documentation required by the Board pursuant to <u>NAC 624.793</u> have been provided to the Board; and
- 3. If the Board determines pursuant to the provisions of <u>NAC 624.794</u> that an investigation into the request is required, the Board has completed the investigation.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004; A by R046-05, 9-7-2005)

NAC 624.793 Submission of request and pertinent documents, materials and information. (NRS 40.6887)

- 1. A requester shall submit to the Board:
- (a) A request on a form prescribed by the Board; and
- (b) Copies of all documentation or materials related to the residence or appurtenance that is the subject of the request, if available.
- 2. If the Board determines that additional documentation or information related to the request is required to provide a response to or render a decision on the request, the Board will notify the requester of the additional documentation or information required by the Board.
- 3. If the Board notifies a requester pursuant to subsection 2 of additional documentation or information required by the Board, the requester shall submit the documentation or information requested to the Board.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004; A by R046-05, 9-7-2005)

NAC 624.794 Review of request; investigation and report. (NRS 40.6887)

- 1. Upon the submission of a request pursuant to the provisions of <u>NAC 624.793</u>, the Executive Officer of the Board will review the request to determine if an investigation is required to provide a response to or render a decision on the request.
- 2. If the Executive Officer of the Board determines that an investigation is required to provide a response to or render a decision on the request, the Executive Officer will designate staff of the Board or an independent licensed professional to conduct an investigation into the request.
- 3. A written report of the results of any investigation into the request conducted pursuant to the provisions of this section must be submitted to the Executive Officer of the Board.
- 4. The Board will review the written report submitted to the Executive Officer of the Board before providing a response to or rendering a decision on the request.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004; A by R046-05, 9-7-2005)

NAC 624.795 Assessment, notification and payment of fees. (NRS 40.6887)

- 1. Pursuant to the provisions of <u>NRS 40.6887</u>, a contractor who constructed or contracted for the construction of the residence or appurtenance that is the subject of the request may be required to pay to the Board fees sufficient to cover the costs of providing a response to or rendering a decision on the request.
 - 2. The Board will notify the contractor of the assessment of any such fees by the Board.
- 3. The contractor shall pay any such fees assessed to cover the costs to the Board within 15 days after receiving notice of the fees pursuant to subsection 2.

(Added to NAC by Contractors' Bd. by R158-03, eff. 5-14-2004; A by R098-12, 12-20-2012)



COMMISSION ON CONSTRUCTION EDUCATION

General Provisions

NAC 624.810 "Commission" defined. (NRS 624.570) As used in NAC 624.810 to 624.840, inclusive, unless the context otherwise requires, "Commission" means the Commission on Construction Education.

(Added to NAC by Comm'n on Construction Educ. by R207-01, eff. 9-4-2002)

Practice and Procedure

NAC 624.820 Scope. (NRS 624.570) The provisions of NAC 624.820 to 624.830, inclusive, govern practice and procedure before the Commission.

(Added to NAC by Comm'n on Construction Educ. by R207-01, eff. 9-4-2002)

NAC 624.822 Meetings; principal office. (NRS 624.570)

- 1. Regular meetings of the Commission must be held at:
- (a) The principal office or such other place as the Commission may specify; and
- (b) Such times as the Commission may designate.
- 2. The principal office of the Commission is located at the office of the person designated as the Secretary of the Commission.
 - 3. The principal office of the Commission must be open during regular business hours. (Added to NAC by Comm'n on Construction Educ. by R207-01, eff. 9-4-2002)

NAC 624.824 Rules of practice. (NRS 624.570)

- 1. The Commission will liberally construe the rules of practice to secure just, speedy and economical determination of issues before it.
- 2. The Commission may permit deviation from the rules of practice where good cause appears.
- 3. The rules of practice must not be construed to conflict with any provisions of the Nevada Revised Statutes that pertain to the Commission.

(Added to NAC by Comm'n on Construction Educ. by R207-01, eff. 9-4-2002)

NAC 624.826 Written communications and documents to Commission. (NRS 624.570) All written communications and documents to the Commission must be addressed to the Secretary of the Commission.

(Added to NAC by Comm'n on Construction Educ. by R207-01, eff. 9-4-2002)

NAC 624.828 Filings with Commission. (NRS 624.570) When a filing with the Commission is made, an original and two legible copies of the document, application or other paper must be filed.

(Added to NAC by Comm'n on Construction Educ. by R207-01, eff. 9-4-2002)

NAC 624.830 Proceedings to be informal. (NRS 624.570) All proceedings before the Commission will be informal.

(Added to NAC by Comm'n on Construction Educ. by R207-01, eff. 9-4-2002)



Construction Education Account

NAC 624.840 Application for grant from Account: Requirements; review by Commission; notice of disposition; request for reconsideration. (NRS 624.570)

- 1. A school district in this State or a program of education that has been approved by the Commission may file an application, on a form provided by the Commission, for a grant of money from the Construction Education Account.
- 2. An application must be received by the Commission before the deadline established by the Commission and must contain:
 - (a) The full name, address and telephone number of the applicant.
 - (b) The full name and telephone number of the fiscal agent or fiscal manager of the applicant.
- (c) The following information, supported by appropriate documentation, concerning the qualifications of the applicant to receive a grant pursuant to this section:
- (1) The applicant's strategies to increase enrollment in programs of education which relate to building construction.
- (2) The applicant's strategies to increase awareness concerning the advantages of employment in the construction industry.
 - (3) The applicant's plan for statewide dissemination of project objectives.
 - (4) An outline of the applicant's program of education.
 - (5) The proposed expenses of the applicant.
- (6) Any other information requested by the Commission to ascertain the qualifications of the applicant to receive a grant pursuant to this section.
 - 3. An application and all supporting documentation must be notarized.
- 4. The Commission will meet semi-annually to review and rate applications. The Commission will review and rate each application on a "review rating form" created by the Commission. The "review rating form" must rate the application based upon the proposals of the applicant to meet planning criteria, goals and benchmarks, and budgetary requirements.
- 5. Not later than 10 working days after the Commission reviews and rates an application, the Commission will notify the applicant of the disposition of the application.
- 6. If an application is denied by the Commission, the applicant may, within 30 days after the date on which the application is denied, submit a request for reconsideration of the application by the Commission. Within 30 days after receipt of a request for reconsideration, the Commission will:
 - (a) Reconsider the application;
 - (b) Determine whether to affirm the denial of the application or to approve the application; and
 - (c) Notify the applicant of the disposition of the request for reconsideration.
 - (Added to NAC by Comm'n on Construction Educ. by R196-01, eff. 9-4-2002)



SECRETARY OF STATE FILING DATA

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AGENCY:

STATE CONTRACTORS BOARD

LCB File No. R014-19

FOR EMERGENCY REGULATIONS ONLY			
EFFECTIVE DATE			
EXPIRATION DATE			
GOVERNOR'S SIGNATURE			

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MADOPTED BY AGENCY

□ EMERGENCY

Brief Description of Action: The purpose of the proposed regulation is to amend Chapter 624 of the Nevada Administrative Code to revise the Board's rules of practice which were reviewed in accordance with NRS 233B.050. As a result of this review, it was recognized that clarifying and streamlining changes would enhance the rules of practice, modernize some aspects of the rules to recognize trends and technology improvements, and to remove uncertainty. In addition, AB440 (2019) created an additional disciplinary action regarding builder's warranties. Thus, the regulation establishes an administrative fine range assessment for violating this provision as well as an administrative fine range for violating NRS 624.30165. On February 20, 2020, the Nevada State Contractors Board adopted proposed changes to NAC 624 identified in R014-19. R014-19 is proposed to be amended by the addition of language in Sec. 2A which sets forth terms of probation, and revisions to Sec. 15 concerning conditions related to fine payments.

Authority citation other than 233B: NRS 624.100; NRS 624.300; NRS 624.3013; NRS 624.3016; NRS 624.335; NRS 624.341; NRS 624.361; NRS 624.710.

Notice Date: 8/14/20

Hearing Date: 9/17/2020

Date of Adoption by Agency: 9/17/2020

APPROVED REGULATION OF THE

STATE CONTRACTORS' BOARD

LCB File No. R014-19

Effective November 2, 2020

EXPLANATION - Matter in italics is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: §§1, 2, 4-8, 10-13, 20-26 and 28-32, NRS 624.100; §3, NRS 624.100 and 624.3013; §9, NRS 624.100 and 624.335; §§14 and 18, NRS 624.100, 624.341 and 624.361; §§15 and 17, NRS 624.100 and 624.341; §16, NRS 624.100, 624.300, 624.3016, 624.341, 624.361 and 624.710; §19, NRS 624.100, 624.300 and 624.341; §27, NRS 624.100 and 624.170.

A REGULATION relating to contractors; revising provisions relating to disciplinary action by the State Contractors' Board; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the State Contractors' Board to make reasonable regulations. (NRS 624.100) Existing regulations establish procedures for disciplinary action and practice before the Board. (NAC 624.6975-624.7296) Section 2 of this regulation defines "suspend" as imposing a temporary prohibition against a licensee engaging in work as a contractor. Section 3 of this regulation establishes a rebuttable presumption that a misrepresented or omitted material fact by an applicant or licensee does not form a defense against a complaint. Existing regulations authorize the Board to place a contractor on probation in certain circumstances. (NAC 624.710) Section 4 of this regulation authorizes the Board to place a contractor whose license may be suspended or revoked on probation so that the contractor may complete the contractor's existing construction projects under conditions deemed necessary to protect the public, the construction project and the owner of the construction project. Existing regulations require the Board to notify a licensee if the Board believes the licensee's financial responsibility is impaired or that the licensee is in violation of state law or regulations. (NAC 624.720) Section 5 of this regulation establishes the provisions which must be included in an order that place a contractor on probation. Section 13 of this regulation authorizes the Board to set a hearing regarding the licensee's financial responsibility or alleged violation of state law or regulations.

Existing law and regulations authorize the Board to establish and impose certain administrative fines and issue citations. (NRS 624.300, 624.3016, 624.341, 624.361, 624.710;

NAC 624.7251) Section 16 of this regulation establishes a new administrative fine for a violation of state law relating to unfair business practices. Section 16 also provides an administrative fine for failing to provide a builder's warranty in certain circumstances or failing to respond reasonably to a claim made under a builder's warranty. Existing regulations authorize the Board or its designee to reduce or stay a fine pending completion of a training program or examination required by the Board. (NAC 624.7251) Section 16 additionally: (1) authorizes the Board or its designee to reduce or stay any other penalty imposed; (2) authorizes the Board or its designee to require completion of any other means of remediation or retraining based upon the circumstances for which the fine was assessed or the penalty imposed; and (3) requires the Board or its designee to make certain findings before exercising such discretion. Existing regulations authorize the Board to assess a maximum fine only if one or more specified circumstances apply. (NAC 624.7251) Section 16 requires the Board to assess the maximum fine if the cited person has previously committed the same or a similar violation at least twice in the immediately preceding 5 years.

Existing regulations require a cited licensee who hires and pays another licensee to perform a corrective action to be responsible for the hired licensee's failure to comply with the order for corrective action. (NAC 624.72518) **Section 19** of this regulation instead provides that the cited licensee is jointly responsible with the hired licensee for the hired licensee's failure to comply with the order.

Existing regulations establish certain deadlines and presumptions relating to complaints and hearings. (NAC 624.7256, 624.7263, 624.7273) Section 21 of this regulation changes the amount of time from 10 days to 7 days after a complaint is deposited with the United States Postal Service that a rebuttable presumption is created that a complaint and notice of hearing has been received by a respondent. Section 23 of this regulation changes the deadline from 10 days to 14 days before the hearing by which a request for a continuance of a hearing must be received by the Executive Officer of the Board. Section 23 also authorizes the Executive Officer and the Board to waive this requirement and grant a request for a continuance in certain circumstances. Section 26 of this regulation requires a party who wishes to oppose a motion to serve and file a written response to the motion 14 days after receiving the motion instead of 10 days after receiving the motion. Existing regulations outline requirements for submitting papers to the Board in a contested case. (NAC 624.7266) Section 24 of this regulation adds to those requirements and authorizes parties in a contested case to consent to electronic service.

Existing regulations describe the requirements for applying for the issuance of a subpoena. (NAC 624.7276) **Section 27** of this regulation adds certain information that must be included in the application for the issuance of a subpoena. **Section 27** also creates a rebuttable presumption that an application for the issuance of a subpoena that does not meet the requirements is not reasonably calculated to lead to the presentation of admissible evidence.

Section 32 of this regulation requires a petition for a rehearing or reconsideration of a decision of the Board and any related responses or decisions be made not later than 14 days after the appropriate party receives the petition instead of 15 days. (NAC 624.7293)

Existing regulations impose various duties on the Board in taking disciplinary action against a licensee or an applicant for a license. (NAC 624.716, 624.7251, 624.72512, 624.72514, 624.7253, 624.7259, 624.7263, 624.7269, 624.7279, 624.7283, 624.7286, 624.7293) Sections 12, 16-18, 20, 22, 23, 25, 28-30 and 32 of this regulation authorize the Board's designee to complete those duties. Existing regulations require the Executive Officer of the Board or his or her designee to sign a written administrative citation. (NAC 624.725) Section 14 of this regulation removes the authorization of the Executive Officer to appoint a designee to sign such a citation. Existing regulations authorize the Board to consolidate two or more contested cases in certain circumstances. (NAC 624.7269) Section 25 of this regulation also authorizes the Executive Officer or the Board's designee to consolidate such cases. Sections 6-11, 15 and 31 of this regulation make conforming changes.

- **Section 1.** Chapter 624 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this regulation.
- Sec. 2. "Suspend" means to impose a temporary prohibition against a licensee engaging in work as a contractor pursuant to chapter 624 of NRS.
- Sec. 3. The misrepresentation or omission of a material fact to the Board by an applicant or a licensee creates a rebuttable presumption that the misrepresented or omitted material fact does not form a defense against a complaint.
- Sec. 4. If the Board or its designee has grounds to suspend or revoke a contractor's license or otherwise discipline a contractor, the Board or its designee may place the contractor on probation until the contractor completes the contractor's existing construction projects or portions thereof under conditions deemed necessary by the Board to protect the public, the construction project and the owner of the construction project. The Board or its designee may thereafter suspend or revoke the contractor's license or otherwise discipline the contractor.

- Sec. 5. 1. An order of the Board that imposes probation must state:
- (a) The period of time during which a licensee is subject to probation;
- (b) The terms and conditions imposed by the Board during the period of probation; and
- (c) The consequences for the failure of a licensee to comply with the terms and conditions imposed by the Board.
- 2. The terms and conditions which the Board may impose during a period of probation include, without limitation:
- (a) Imposing disciplinary action pursuant to paragraphs (c), (e) and (f) of subsection 1 of NRS 624.300:
 - (b) Monitoring or reviewing the contracts or practices of a licensee;
 - (c) Ordering a licensee to complete remedial education;
- (d) Requiring the licensee to change the qualified person listed on a license or add a qualified person to a license; and
- (e) Requiring compliance with any other term or condition which is intended to address, remediate, correct or prevent a practice or harm which relates to the circumstances of the particular case as a result of which probation is imposed.
 - **Sec. 6.** NAC 624.6975 is hereby amended to read as follows:
- 624.6975 As used in NAC 624.6975 to 624.7296, inclusive, and sections 2, 3 and 4 of this regulation, unless the context otherwise requires, the words and terms defined in NAC 624.6978 to 624.6987, inclusive, and section 2 of this regulation have the meanings ascribed to them in those sections.
 - Sec. 7. NAC 624.6978 is hereby amended to read as follows:

- 624.6978 "Complaint" means a document issued by the Executive Officer [of the Board] to a respondent that includes a short and plain statement alleging a violation of a provision of this chapter or chapter 624 of NRS.
 - Sec. 8. NAC 624.699 is hereby amended to read as follows:
 - 624.699 A written document shall be deemed received by the Board if the document is:
- 1. Filed at the office of the Board in Henderson, Nevada, or Reno, Nevada, and addressed to the Executive Officer; fof the Board; or
 - 2. Presented to the Board at a hearing.
 - Sec. 9. NAC 624.700 is hereby amended to read as follows:
- 624.700 1. Any aggrieved person may file with the Board an allegation against any licensee. The allegation must:
 - (a) Be written; {and signed;}
 - (b) Describe the specific [grievance;] allegation; and
 - (c) Include any [related] documentation [related to the allegation.
- 2. If the Board finds that an investigation is necessary, the Board's staff shall commence the investigation within 10 days after the date the allegation was filed.
- 3. If it appears from the investigation that a licensee may have violated the provisions of this chapter or chapter 624 of NRS, the Executive Officer may:
 - (a) Request the licensee to take appropriate corrective action;
- (b) Request the licensee to meet informally with the Board's staff and the **[complainant]**person who filed the allegation to resolve the issue;

- (c) Require the licensee to appear before the Board and show cause why disciplinary action should not be taken against the licensee; and
- (d) Take such other actions as the Executive Officer deems appropriate under the circumstances.
 - Sec. 10. NAC 624.710 is hereby amended to read as follows:
- 624.710 1. The address of an applicant or licensee which is on file with the Board shall be deemed to be this or her the correct address. And of the applicant or licensee.
- 2. Within 30 days after any change of address, an applicant or licensee shall provide to the Board [, within 30 days,] written notice of any change of [his or her] address [.
- 2. If the Board has grounds to suspend or revoke a contractor's license or otherwise discipline a contractor, the Board may place the contractor on probation until the contractor completes his or her existing contracts and may thereafter suspend or revoke his or her license or otherwise discipline the contractor.] of the applicant or licensee.
 - **Sec. 11.** NAC 624.713 is hereby amended to read as follows:
- 624.713 1. A notice that the Board provides to a licensee pursuant to NAC 624.7256 will include:
 - (a) A copy of the complaint;
- (b) The date by which the licensee is required to submit an answer or responsive pleading and any supporting documents to the Board;
- (c) A statement that the licensee is entitled to a hearing only if the licensee complies with the provisions set forth in paragraph (b); and

- (d) A statement that the failure of the licensee to comply with the provisions of subsection 2 may cause the Board to enter a default order against the licensee.
- 2. The answer required by paragraph (b) of subsection 1 must be in writing, signed by the respondent or [his or her representative,] the respondent's attorney and include a specific response to each allegation in the complaint. The response must admit or deny the allegation, or state that the respondent has insufficient information to admit or deny the allegation.
 - Sec. 12. NAC 624.716 is hereby amended to read as follows:
- 624.716 1. If a licensee receives a notice from the Board pursuant to NAC 624.7256, the licensee is entitled to a hearing only if the licensee complies with the provisions of paragraph (b) of subsection 1 of NAC 624.713. If the licensee fails to comply with those provisions, the Board or its designee will hold a hearing to determine whether it will enter a default order against the licensee.
 - 2. The Board or its designee may consider at the hearing:
 - (a) The complaint and any amended complaints provided to the licensee;
 - (b) Any notices provided to the licensee pursuant to NAC 624.7256;
 - (c) Any communication between the Board and the licensee; and
- (d) Any other evidence relating to the allegations set forth in the complaint or amended complaints.
 - 3. The Board or its designee may:
- (a) Include evidence presented at the hearing in its findings of fact and conclusions of law; and
 - (b) Enter a default order against the licensee.

- 4. If the Board or its designee enters a default order against the licensee, the Board or its designee will:
- (a) Send to the licensee by certified mail, return receipt requested, a copy of the default order, including any findings of fact and conclusions of law, not later than [10] 7 days after the Board enters its order; and
 - (b) Take such disciplinary action against the licensee as it deems appropriate.
- 5. A licensee against whom a default order is entered may submit to the Board a written request for reconsideration of the order not later than [15] 14 days after receiving a copy of the order. The written request must set forth the reasons for reconsideration by the Board [1] or its designee.
- 6. The Board or its designee will review the request to determine whether there is good cause for reconsideration of the order. If the Board or its designee determines that good cause for reconsideration exists, the Board or its designee will schedule a hearing and notify the licensee, in writing, of the time and place of the hearing. The Board or its designee will schedule the hearing for not later than 90 days after the decision granting reconsideration of the order is made.
 - Sec. 13. NAC 624.720 is hereby amended to read as follows:
- 624.720 If the Board believes that a licensee's financial responsibility is impaired or that [he or she] the licensee is in violation of chapter 624 of NRS or this chapter, the Board will so notify the licensee [.] and may set a hearing regarding the financial responsibility of the licensee or the alleged violation by the licensee of chapter 624 of NRS or this chapter.
 - **Sec. 14.** NAC 624.725 is hereby amended to read as follows:

- 624.725 A written administrative citation issued pursuant to NRS 624.341 may be served by personal service on the person named in the administrative citation, or a designated representative thereof, or by certified mail to the address of record of the person and must include, to the extent applicable:
 - 1. The name and last known business or residential address of the person;
 - 2. A numbered identification of the person;
 - 3. The date on which the citation is issued;
 - 4. The number of the citation;
- 5. A list of the sections of this chapter or chapter 624 of NRS which the person is alleged to have violated and a description of the alleged violation;
 - 6. Corrective actions, if any, ordered against the person;
 - 7. Administrative fines, if any, to be assessed against the person;
- 8. The reimbursement costs, if any, which the person is ordered to pay to cover the costs of any investigation;
 - 9. The date by which the person must complete any corrective actions ordered;
- 10. The date by which the person must pay any administrative fines or reimbursement of investigative costs;
- 11. A description of the manner in which the person may contest the citation, including, without limitation, the period during which the person may contest the citation and the consequences of failing to contest the citation timely;
 - 12. The signature of the Executive Officer; {or his or her designee;} and
 - 13. Any other information required by the Board.

- Sec. 15. NAC 624.72505 is hereby amended to read as follows:
- 624.72505 A written administrative citation issued pursuant to NRS 624.341 may be withdrawn:
 - 1. By the Board at any time.
 - 2. By the Executive Officer: [of the Board:]
 - (a) Before the citation is deemed a final order of the Board pursuant to NRS 624.345; or
- (b) If the cited person contests the citation, before the commencement of the hearing required pursuant to NRS 624.351.
 - Sec. 16. NAC 624.7251 is hereby amended to read as follows:
- 624.7251 1. If the Board or its designee issues an order imposing an administrative fine pursuant to the provisions of this chapter and chapter 624 of NRS, each such fine assessed by the Board or its designee must:
 - (a) Specify the violation for which the person is being cited; and
- (b) Subject to the provisions of subsections 2, 3 and 4, be in an amount which is not less than the minimum amount or more than the maximum amount as follows for the violation:

Violation	Minimum Fine	Maximum Fine
NRS 624 301	\$1,000	\$10,000

Violation	Minimum Fine	Maximum Fine
Paragraph (a) of subsection 1 or subparagraph (4)		
of paragraph (b) of subsection 1 of NRS		
624.3011	500	10,000
Subparagraph (1), (2) or (3) of paragraph (b) of		
subsection 1 of NRS 624.3011	1,000	10,000
Subsection 1, 2 or 3 of NRS 624.3012	1,000	10,000
Subsection 4 of NRS 624.3012	500	10,000
Subsection 1 or 4 of NRS 624.3013	250	10,000
Subsection 2 of NRS 624.3013	1,000	10,000

10,000

10,000

50,000

10,000

50,000

10,000

10,000

10,000

10,000

Subsection 3 of NRS 624.3013.....500

Subsection 5 of NRS 624.301350

NRS 624.3014......100

Subsection 1 or 6 of NRS 624.3015......250

Subsection 2, 3 or 4 of NRS 624.3015......1,000

Subsection 5 of NRS 624.3015.....500

Subsection 1, 2, 4, 6, 7 or 8 of NRS 624.3016.....250

624.3016......500

Subsection 9 of NRS 624.3016......100

Subsection 3, 5, 10, [or] 11 or 12 of NRS

	11	
Approved	Regulation	R014-19

Minimum Fine	Maximum Fine
250	10,000
500	10,000
50	10,000
100	10,000
1,000	50,000
250	10,000
1,000	10,000
1,000	50,000
100	250
1,000	50,000
1,000	50,000
1,000	50,000

- 2. In determining the amount of an administrative fine to be imposed pursuant to subsection 1, the Board or its designee will consider the factors set forth in paragraphs (a), (b) and (c) of subsection 4 of NRS 624.300 and paragraphs (a), (b) and (c) of subsection 2 of NRS 624.710, as applicable.
- 3. Unless otherwise prohibited by law 1 and except as otherwise provided by subsection 6, the Board or its designee may reduce or stay a fine assessed pursuant to subsection 1 or any other penalty imposed pursuant to this chapter or chapter 624 of NRS pending completion of a

training program, [or] examination or any other means of remediation or retraining required by the Board [.] or its designee which is based upon the circumstances for which the fine was assessed or the penalty imposed.

- 4. The Board or its designee will assess the maximum fine listed in subsection 1 only if one or more of the following circumstances apply:
- (a) The cited person has a history of violating the same or similar sections of NRS \(\frac{1}{14}\), NAC or any relevant administrative order;
 - (b) The administrative citation specifies more than one violation;
- (c) The cited person has {exhibited bad faith by ignoring} unreasonably ignored written warnings;
 - (d) The violation or violations have caused harm to other persons;
- (e) The violation or violations were perpetrated against a [senior citizen] person 60 years of age or older or a person with a diagnosed physical or mental disability; or
 - (f) The violation or violations involved a construction project costing more than \$500,000.
- 5. The Board or its designee will assess the maximum fine listed in subsection 1 if the cited person has previously violated the same or similar sections of NRS, NAC or any relevant administrative order at least twice in the immediately preceding 5 years.
- 6. If the Board or its designee intends to exercise the discretion authorized in subsection 3:
- (a) The Board or its designee may state the reasons for the exercise of discretion orally at the hearing on the matter and must state such reasons in writing in any written order or decision on the matter; and

- (b) The reasons for the exercise of discretion must be derived from the presentation of the case and the findings or determinations of the Board or its designee based on the presentation of the case.
 - Sec. 17. NAC 624.72512 is hereby amended to read as follows:
- 624.72512 In addition to any other factors that the Board uses to determine whether an administrative citation issued pursuant to NRS 624.341 should include an order for corrective action, the Board [will] or its designee may consider:
- 1. Whether compliance with such an order would result in excessive destruction or substantial waste to the existing construction on the construction project;
- 2. The willingness of the owner of the construction project to allow such corrective action;
- 3. A determination by the Executive Officer or his or her designee that the licensee is able to perform the corrective action.
 - Sec. 18. NAC 624.72514 is hereby amended to read as follows:
- 624.72514 In determining the time permitted for compliance with an order for corrective action [, as required to be stated in a written citation] issued pursuant to NRS 624.341, the Board or its designee will determine the time for compliance with the order by considering, without limitation:
- 1. The accepted industry practice regarding the performance of the work necessary to comply with the order for corrective action, in the climate or weather conditions of the area in which the construction project is located.

- 2. The number of days during which the owner of the construction project will make the site of the construction project available for the contractor to comply with the order for corrective action.
- 3. The time necessary to obtain materials required for the contractor to comply with the order for corrective action.
 - Sec. 19. NAC 624.72518 is hereby amended to read as follows:
- [which] that includes an order for corrective action and the cited licensee hires and pays another licensee to perform the corrective action pursuant to subparagraph [(3)] (2) of paragraph (f) of subsection 1 of NRS 624.300, the cited licensee [is] and the hired licensee are jointly responsible for any failure of the hired licensee to comply with the order for corrective action included in the citation.
 - Sec. 20. NAC 624.7253 is hereby amended to read as follows:
- 624.7253 1. The provisions of NAC 624.6975 to 624.7296, inclusive, and sections 2, 3 and 4 of this regulation govern practices in any contested case before the Board, and the Board or its designee will liberally construe those provisions to determine all matters before the Board or its designee in a just, speedy and economical manner.
- 2. The Board or its designee may allow a deviation from the provisions of NAC 624.6975 to 624.7296, inclusive, and sections 2, 3 and 4 of this regulation, if the Board or its designee determines that the deviation would not have a material adverse effect on the substantial interests of the parties and good cause for the deviation exists. If the Board or its designee allows such a deviation, it will include in the record the deviation and the reasons for the deviation.

- Sec. 21. NAC 624.7256 is hereby amended to read as follows:
- 624.7256 1. The Board will:
- (a) Set the date, time and place of a hearing for a contested case; and
- (b) At least 21 days before the hearing, send a copy of the complaint and notice of hearing by certified mail, return receipt requested, to the respondent at the address on file with the Board, or by personal service in the manner provided in NRS and the Nevada Rules of Civil Procedure for service in civil actions. The complaint and notice of hearing may be included in the same document. A proof of service must be attached to the original of any document that is served by mail.
- 2. There is a rebuttable presumption that a complaint and notice of hearing has been received by a respondent [10] 7 days after the date the complaint and notice of hearing is deposited with the United States Postal System.
- 3. An objection that any notice required by NAC 624.6975 to 624.7296, inclusive, and sections 2, 3 and 4 of this regulation was not provided in the manner set forth in those provisions will be deemed waived unless the objection is raised by the respondent before the introduction of any evidence into the record at a hearing of the Board.
 - Sec. 22. NAC 624.7259 is hereby amended to read as follows:
- 624.7259 1. The Executive Officer [of the Board] may add or dismiss a cause for disciplinary action against a respondent before the Board *or its designee* holds a hearing on that cause of action.
- 2. The Board or the Executive Officer [of the Board] may amend a complaint at any time.

 Notice of an amended complaint must be given in the same manner as a notice of an original

complaint. The Board will grant a continuance if an amendment materially alters the complaint in such a way that the respondent will be unable to prepare {his or her} the respondent's case in a timely manner.

- 3. The Executive Officer [of the Board] may withdraw a complaint at any time before the Board holds a hearing on the complaint. After the hearing is commenced, only the Board may withdraw a complaint.
 - Sec. 23. NAC 624.7263 is hereby amended to read as follows:
- 624.7263 1. A respondent or [his or her representative] a respondent's attorney may request a continuance of a hearing upon a showing of good cause. A request for a continuance must be submitted to the Executive Officer [of the Board] in writing on a form prescribed by the Board. The request must be received by the Executive Officer at least [10] 14 days before the hearing.
- 2. A request for a continuance must specify the reasons constituting good cause for granting the continuance. A request for a continuance that is received less than [10] 14 days before the hearing must indicate that the request is the result of an emergency which arose less than [10] 14 days before the hearing.
- 3. The Executive Officer [of the Board] may grant a continuance before a hearing is held [.] if the request for a continuance is received more than 14 days before the hearing. The Board or its designee may grant a continuance if the request for a continuance is received not more than 14 days before the hearing. The Board or its designee may continue a hearing at any time after the hearing is commenced.
 - Sec. 24. NAC 624.7266 is hereby amended to read as follows:

- 624.7266 1. All papers submitted to the Board by a party in a contested case must be typewritten on one side only, on white paper that is 8 1/2 by 11 inches in size. The first page of each document must include the names of the parties in the contested case and the number, if any, assigned to the case by the Board.
- 2. All papers submitted to the Board must be submitted to the Executive Officer or as otherwise directed by the Board or its designee.
- 3. The parties to a contested matter may consent to electronic service and serve papers electronically in a manner agreed to by the parties.
 - Sec. 25. NAC 624.7269 is hereby amended to read as follows:
- 624.7269 The Executive Officer or the Board or its designee may consolidate two or more contested cases if the Executive Officer or the Board or its designee determines that the issues are substantially similar and the interests of the parties will not be prejudiced by the consolidation. The presiding officer of the hearing will determine the order of procedure at a consolidated hearing.
 - Sec. 26. NAC 624.7273 is hereby amended to read as follows:
- 624.7273 1. A party may only make those motions set out in subsection 2 of NRS 622A.360. A motion, unless made at a hearing, must be made in writing.
- 2. A written motion must set forth the nature of the relief requested and the grounds for the relief.
- 3. A party who wishes to oppose a motion must serve and file a written response to the motion not later than [10] 14 days after receiving the motion.

- 4. The moving party may serve and file a written reply only if an opposition to the motion has been served and filed.
 - 5. The Board or its designee may issue a decision on a motion without oral argument.
- 6. If the Board or its designee wishes to oppose a motion, the Board or its designee is not required to serve or file a written response to the motion.
 - Sec. 27. NAC 624.7276 is hereby amended to read as follows:
- 624.7276 1. A party may apply to the Board for the issuance of a subpoena pursuant to NRS 624.170. An application for the issuance of a subpoena must:
 - (a) Be submitted in writing;
- (b) Include a statement of the facts that demonstrate the reasons why the subpoena is necessary; {and}
- (c) Identify with reasonable particularity the document, identity of the witness or other evidence sought by the subpoena;
- (d) Include an address of where the document, witness or other evidence sought may be located or any other information necessary for sufficient service of process; and
- (e) Be received by the Board at least [10] 14 days before the hearing for which the subpoena is issued.
- 2. The Board will issue a subpoena if the subpoena is reasonably calculated to lead to the presentation of admissible evidence in the contested case. An application for the issuance of a subpoena that does not meet the requirements of subsection 1 creates a rebuttable presumption that the subpoena is not reasonably calculated to lead to the presentation of admissible evidence. The presumption may be overcome if the party shows good cause for

failing to meet the requirements of subsection 1. A hearing may not be continued solely for failure by a party to timely seek a subpoena or to serve a subpoena as required by this chapter or the Nevada Rules of Civil Procedure.

- 3. If the Board issues a subpoena, the party who requests the subpoena shall:
- (a) Serve [a copy of] the subpoena [on all other parties] in the manner prescribed by Rule 45 of the Nevada Rules of Civil Procedure;
- (b) [File] Submit proof of such service with the Board [;] before any evidence produced by the issuance of the subpoena is presented at the hearing; and
- (c) Pay the costs related to the issuance and service of the subpoena [including, without limitation, witness fees as provided by NRS 50.255. The Board may require payment of [the] its costs before the issuance of the subpoena.
 - Sec. 28. NAC 624.7279 is hereby amended to read as follows:
- 624.7279 1. Any party who appears at a hearing may represent himself or herself or may be represented by an attorney licensed to practice law in this State.
- 2. Each person who appears at a hearing shall comply with the standards of ethical and courteous conduct required in the courts of this State. If a person fails to comply with those standards of conduct, the Board may:
 - (a) Exclude the person or **[his or her]** the person's representative from the hearing; or
 - (b) Terminate the hearing.
- 3. If a party is represented by an attorney, *upon reasonable demand* the Board will provide to the attorney any notice, document or other paper that the Board is required to provide to the party.

- 4. An attorney may withdraw from representing a party if the attorney provides written notice of his or her withdrawal to the Board and the party whom he or she represented.
- 5. The Board or its designee may refuse to consider any documentary evidence or exhibit presented by a party at a hearing if the evidence or exhibit was not reasonably provided to [the staff of the Board at least] an opposing party. Documentary evidence provided 10 [calendar] or more days before the date of the hearing [] is presumed to have been reasonably provided.
 - Sec. 29. NAC 624.7283 is hereby amended to read as follows:
- 624.7283 1. The failure of a party to appear at a hearing shall be deemed a waiver of the party's right to present evidence [...] at a hearing of the Board. After presentation to the Board or its designee of an offer of proof that the absent party was given proper notice, and upon a determination by the Board or its designee that proper notice was given to the absent party, the Board or its designee may hear evidence without the participation of the absent party and may make its decision based on [such] the admitted evidence.
 - The Board or its designee may limit the time each party is allowed to present evidence.
 Sec. 30. NAC 624.7286 is hereby amended to read as follows:
- 624.7286 1. Except as otherwise provided in this section, a hearing in a contested case will be conducted in the following order:
 - (a) The hearing will be called to order and the parties will be introduced on the record.
- (b) The complaint, notice of hearing, answer and the file of the Board that relates to the complaint may be placed in evidence.
 - (c) Any preliminary motions or stipulations will be considered.
 - (d) The Board or its attorney will present its case.

- (e) The respondent will present this or her the respondent's case.
- (f) If allowed by the Board [or its designee, rebuttal evidence and closing arguments will be presented.
 - (g) The Board or its designee may deliberate the case.
 - 2. A member of the Board or its designee may question a witness at any time.
- 3. The Board *or its designee* may waive any provision of this section, including taking witnesses out of order, to expedite or ensure the fairness of the hearing.
 - Sec. 31. NAC 624.7289 is hereby amended to read as follows:
- 624.7289 1. A party may call any other party or witness as an adverse witness. The party may question such a witness as if conducting a cross-examination.
- 2. A party who is surprised by the testimony of a witness, called in good faith as a witness on **[his or her]** behalf **[,]** of the party, may question the witness as if conducting a cross-examination.
 - 3. All testimony to be considered at a hearing must be taken under oath.
 - Sec. 32. NAC 624.7293 is hereby amended to read as follows:
 - 624.7293 Except as otherwise provided by law:
- 1. A petition for a rehearing or reconsideration of a decision and order issued by the Board or its designee must be served on all parties not later than [15] 14 calendar days after the date of service of a copy of the decision [1] and order. The petition must state the specific grounds upon which relief is requested.
- 2. Any responses to a petition must be served not later than [15] 14 calendar days after the receipt of the petition.

- 3. If a respondent submits a petition for reconsideration of a decision issued by the Board [,]

 or its designee, the Board or its designee will review the petition to determine whether there is
 good cause for a reconsideration of the decision.
- 4. If a respondent submits a petition for a rehearing and wishes to present new evidence, the respondent must provide to the Board *or its designee* a statement setting forth the reasons for this or her! the respondent's failure to introduce the new evidence at the previous hearing and a detailed description of the new evidence proposed to be introduced.
- 5. The Board or its designee will review a petition for a rehearing or reconsideration. A decision concerning the petition will be made not later than [15] 14 calendar days after the petition is filed with the Board. If a new hearing is ordered, the decision concerning the petition will include the time, date and place of the hearing and the reasons for ordering a new hearing. The new hearing will be conducted not later than 90 calendar days after the [final] decision [of the Executive Officer.] granting a rehearing or reconsideration.
- 6. The Board or its designee will provide notice of its order approving or denying the petition to all parties at least 5 days before the expiration of the period for filing a petition for judicial review.
- 7. If a rehearing is conducted, the Board *or its designee* may require the respondent to pay the costs of the rehearing.



NEVADA STATE CONTRACTORS BOARD

5390 KIETZKE LANE, SUITE 102, RENO, NEVADA, 89511 (775) 688-1141 FAX (775) 688-1271, INVESTIGATIONS (775) 688-1150 2310 CORPORATE CIRCLE, SUITE 200, HENDERSON, NEVADA, 89074 (702) 486-1100 FAX (702) 486-1190, INVESTIGATIONS (702) 486-1110

INFORMATIONAL STATEMENT OF ADOPTED REGULATION AS REQUIRED BY ADMINISTRATIVE PROCEDURES ACT, NRS 233B.066 LCB FILE NO. R014-19

The following statement is submitted for adopted amendments to the Nevada Administrative Code (NAC) Chapter 624 in compliance with NRS 233B.066.

1. A clear and concise explanation of the need for the adopted regulation.

The purpose of the proposed regulation is to amend Chapter 624 of the Nevada Administrative Code to revise the Board's rules of practice which were reviewed in accordance with NRS 233B.050. As a result of this review, it was recognized that clarifying and streamlining changes would enhance the rules of practice, modernize some aspects of the rules to recognize trends and technology improvements, and to remove uncertainty. In addition, AB440 (2019) created an additional disciplinary action regarding builder's warranties. Thus, the regulation establishes an administrative fine range assessment for violating this provision as well as an administrative fine range for violating NRS 624.30165.

Amendments to the proposed regulation establish terms of probations and conditions related to fine payments.

2. A description of how public comment was solicited, a summary of the public response and an explanation of how other interested persons may obtain a copy of the summary.

The notice of workshop and notice of hearing to solicit comments on the proposed regulation was posted at various public locations, on the agency's website and on the Nevada Public Notice Website. Additionally the notice of workshop and hearing, and the proposed regulation were e-mailed electronically to approximately 454 individuals and organizations who have expressed interest in being kept informed of the Board's meetings. Public comment was solicited in the Notice of Workshop and Hearing which included the proposed regulation and small business impact statement.

Public comment was solicited at the workshop held on January 30, 2020 and at the hearing held on February 6, 2020. The public workshop and hearing took place at the office of the Board, 2310 Corporate Circle, Suite 200, Henderson, Nevada 89074 with simultaneous videoconferencing with the Board's office, 5390 Kietzke Lane, Suite 102, Reno, Nevada 89511. No public comments were received.

Public comment was solicited at a second public hearing on September 17, 2020. No public comments were received.

3. The number of persons who: Attended each hearing: 1

Testified at each hearing: 0

Submitted to the agency written statements: 0

- 4. Names & Addresses of persons either submitting written statements or testimony:
 None.
- 5. A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.

The notice of workshop and notice of hearing to solicit comments on the proposed regulation was posted at various public locations, on the agency's website and on the Nevada Public Notice Website. Additionally, the notice of workshop and hearing, and the proposed regulation were e-mailed electronically to approximately 454 individuals and organizations who have expressed interest in being kept informed of the Board's meetings. Public comment was solicited in the Notice of Workshop and Hearing which included the proposed regulation and small business impact statement.

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Public comment was solicited at a second public hearing on September 17, 2020. No public comments were received.

6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The regulation was first adopted on February 20, 2020 without changing any part of the proposed regulation since no public comment was received at the workshop or hearing and no written comments were received by the agency.

Following review by the Legislative Commission's Subcommittee to Review Regulations, a second public hearing was held on September 17, 2020 to receive public comment on proposed amendments to adopted LCB File No. R014-19. R014-19 is proposed to be amended by the addition of language in Sec. 2A which sets forth terms of probation and revises Sec. 15 concerning conditions related to fine payments.

- 7. The estimated economic effect of the regulation on the business which it is to regulate and on the public.
 - A) Estimated economic effect on the businesses which they are to regulate.

 The regulation should not result in any adverse economic effect on businesses in which they regulate.

 Clarification and streamlining of the rules of practice is likely to increase the public's trust in the Board's contested matter process thereby promoting business formation, operation, and expansion.
 - B) Estimated economic effect on the public which they are to regulate

 The regulation should not result in any adverse economic effect on the general public. The regulatory revisions are expected to immediately and continuously reduce overall costs of practice before the Board to licensees and the Board with no expected reduction in the protections for the public's health, safety, and welfare.
- 8. The estimated cost to the agency for enforcement of the proposed regulation. The proposed regulation will not result in any cost to the agency.
- 9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.
 The proposed regulation does not overlap or duplicate any regulation.
- 10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

 There are no federal regulations that apply.
- 11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

 This regulation does not establish a new fee or increase an existing fee.

Assembly Bill No. 51–Committee on Commerce and Labor

CHAPTER.....

AN ACT relating to contractors; revising provisions governing the eligibility of an injured person to recover damages from the Recovery Fund administered by the State Contractors' Board; limiting the rights which are assigned to the Board by an injured person who recovers satisfaction of a judgment from the Recovery Fund; increasing the amount of an administrative fine which the Board may impose against a residential contractor for failing to notify an owner of certain rights relating to the Recovery Fund; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that, subject to certain exceptions, an owner of a single-family residence who suffers actual damages as a result of the acts or omissions of a residential contractor who is licensed by the State Contractors' Board may be eligible to recover damages from the Recovery Fund administered by the Board. (NRS 624.400-624.560)

Section 1 of this bill defines "single-family residence" for the purpose of establishing eligibility to recover damages from the Recovery Fund.

Existing law provides that an injured person who has obtained a judgment against a residential contractor for an eligible claim: (1) may apply to the Board for satisfaction of the judgment; and (2) upon obtaining payment from the Recovery Fund, assigns to the Board his or her rights to enforce the judgment. (NRS 624.490) **Section 4** of this bill provides that: (1) such an assignment is limited to the amount of the injured person's payment from the Recovery Fund; and (2) the injured person retains all other applicable rights.

Section 5 of this bill increases the amount of an administrative fine which the Board may impose upon a residential contractor for failure to notify an owner with whom the contractor contracts of the rights of the owner relating to the Recovery Fund

Sections 2, 3, 6 and 7 of this bill make conforming changes to indicate the placement of the new definitional section in the subchapter, "Recovery Fund," in chapter 624 of NRS.

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted-material] is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 624 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in subsection 3, "single-family residence" means:



- (a) A detached, stand-alone dwelling which is built upon a foundation and situated on its own real property parcel; or
- (b) An individual condominium unit, townhouse unit or duplex unit,
- that serves as the residence for its owner.
- 2. Except as otherwise provided in subsection 3, the term includes:
- (a) Any improvements associated with the dwelling that are affixed to the real property parcel.
 - (b) Any other real property which:
- (1) Has a unique assessor's parcel number or other unique identifier; and
 - (2) Is occupied as a residence by the owner of the property.
 - 3. The term does not include:
 - (a) Any mobile or manufactured home.
 - (b) Personal property.
- (c) Common areas or common elements of a condominium or other multi-family dwelling. As used in this paragraph, "common elements" has the meaning ascribed to it in NRS 116.017.
- (d) Improvements to any real property that is not owned by the dweller of the residence.
- (e) Any dwelling or real property improvement which is rented or leased on a full- or part-time basis by a person who is not a member of the owner's family. As used in this paragraph, "member of the owner's family" means a person related to the owner by blood, adoption, marriage or domestic partnership within the second degree of consanguinity or affinity.
 - Sec. 2. NRS 624.400 is hereby amended to read as follows:
- 624.400 As used in NRS 624.400 to 624.560, inclusive, and section 1 of this act, unless the context otherwise requires, the words and terms defined in NRS 624.410 to 624.460, inclusive, and section 1 of this act have the meanings ascribed to them in those sections.
 - Sec. 3. NRS 624.470 is hereby amended to read as follows:
- 624.470 1. Except as otherwise provided in subsection 3, in addition to the fee for a license required pursuant to NRS 624.280, a residential contractor shall pay to the Board an assessment not to exceed the following amount, if the monetary limit on the residential contractor's license is:

Not more than \$1,000,000	.\$200	per	biennium
More than \$1,000,000 but limited	500	per	biennium
Unlimited	1,000	per	biennium



- 2. The Board shall administer and account separately for the money received from the assessments collected pursuant to subsection 1. The Board may refer to the money in the account as the "Recovery Fund."
- 3. The Board shall reduce the amount of the assessments collected pursuant to subsection 1 when the balance in the account reaches 150 percent of the largest balance in the account during the previous fiscal year.
- 4. Except as otherwise provided in NRS 624.540, the money in the account must be used to pay claims made by injured persons, as provided in NRS 624.400 to 624.560, inclusive [...], and section 1 of this act.
 - **Sec. 4.** NRS 624.490 is hereby amended to read as follows:
- 624.490 Within 2 years after an injured person has obtained a judgment in any court of competent jurisdiction for recovery of damages against a residential contractor for an act or omission of the residential contractor that is in violation of this chapter or the regulations adopted pursuant thereto, the injured person may apply to the Board for satisfaction of the judgment from the account if:
- 1. The proceedings in connection with the judgment have terminated, including appeals;
- 2. The injured person submits an application on a form established for this purpose by the Board;
- 3. The injured person submits proof satisfactory to the Board of the judgment; and
- 4. Upon obtaining payment from the account, the injured person assigns to the Board his or her rights to enforce the judgment [to the Board.] up to the amount of his or her payment from the account. All other applicable rights remain with the injured person.
 - Sec. 5. NRS 624.520 is hereby amended to read as follows:
- 624.520 1. A residential contractor shall notify an owner with whom he or she contracts of the rights of the owner pursuant to NRS 624.400 to 624.560, inclusive, *and section 1 of this act*, including, without limitation, providing a written statement explaining those rights in any agreement or contract for qualified services. The written statement must be in substantially the following form:

RESIDENTIAL CONSTRUCTION RECOVERY FUND

Payment may be available from the Recovery Fund if you are damaged financially by a project performed on your residence



pursuant to a contract, including construction, remodeling, repair or other improvements, and the damage resulted from certain specified violations of Nevada law by a contractor licensed in this State. To obtain information relating to the Recovery Fund and filing a claim for recovery from the Recovery Fund, you may contact the State Contractors' Board.

- 2. The Board may impose upon a contractor an administrative fine:
- (a) Of not more than [\$100] \$250 for the first violation of subsection 1; and
- (b) Of not more than [\$250] \$500 for a second or subsequent violation of subsection 1.
- 3. The Board shall deposit any money received pursuant to this section in the account established pursuant to NRS 624.470.
 - **Sec. 6.** NRS 624.530 is hereby amended to read as follows:
- 624.530 1. The provisions of NRS 624.400 to 624.560, inclusive, *and section 1 of this act* do not limit the authority of the Board to take disciplinary action against a residential contractor.
- 2. If the Board or its designee finds that an owner recovered from the account an amount paid by the owner to obtain a release of a lien recorded against property to be improved by a construction project as a result of a residential contractor's act or omission as described in subsection 2 of NRS 624.3012, in addition to any disciplinary action that the Board takes against the residential contractor pursuant to subsection 1, the Board may:
- (a) Suspend or revoke the license of the residential contractor;
 and
- (b) Prohibit the issuance, reinstatement or renewal of a license to the residential contractor and any officer, director, associate or partner thereof, unless the residential contractor or any officer, director, associate or partner thereof repays to the account or the owner, or both, as appropriate, any amount paid out of the account or by the owner as a result of the act or omission of the residential contractor.
 - Sec. 7. NRS 624.560 is hereby amended to read as follows:
- 624.560 The Board shall adopt such regulations as are necessary to carry out the provisions of NRS 624.400 to 624.560, inclusive, *and section 1 of this act*, including, without limitation, regulations governing:
 - 1. The disbursement of money from the account; and



- The manner in which a complaint is filed with the Board or its designee pursuant to NRS 624.480.
 Sec. 8. This act becomes effective upon passage and approval.

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Assembly Bill No. 227-Assemblywoman Carlton

CHAPTER.....

AN ACT relating to contractors; setting forth the persons who may perform certain types of work for a contractor; revising the grounds for disciplinary action against a licensee by the State Contractors' Board; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law generally requires a person to be licensed as a contractor to engage in the business of constructing, altering or repairing any structure or other improvement. (NRS 624.020, 624.700) **Sections 1 and 2** of this bill set forth: (1) the persons who may perform work that requires a contractor's license; and (2) the persons who may perform for a contractor work that does not require a contractor's license.

Existing law sets forth certain acts which constitute cause for disciplinary action against a licensed contractor by the State Contractors' Board. (NRS 624.3015) **Section 3** of this bill: (1) revises the list of acts to include entering into an agreement with a natural person who is not an employee of the licensed contractor and not licensed as a contractor to perform for the licensed contractor any work which requires a contractor's license; and (2) provides that in addition to any disciplinary or other action that may be taken against the licensed contractor, such an agreement is void and unenforceable.

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 624 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. A contractor may perform work that requires a contractor's license:
 - (a) Himself, herself or itself; or
- (b) By or through an employee or employees of the contractor or of another contractor.
- 2. Work that does not require a contractor's license may be performed for and under the direction and control of a contractor by a person who is:
 - (a) Described in subsection 1; or
- (b) Employed by a private employment agency that is licensed by the Labor Commissioner pursuant to NRS 611.040.
- 3. As used in subsection 1, "employee" has the meaning ascribed to it in subsection 6 of NRS 624.020.
 - Sec. 2. NRS 624.020 is hereby amended to read as follows:
 - 624.020 1. "Contractor" is synonymous with "builder."



- A contractor is any person, except a registered architect or a licensed professional engineer, acting solely in a professional capacity, who fin any capacity other than as the employee of another with wages as the sole compensation, undertakes to, offers to undertake to, purports to have the capacity to undertake to, or submits a bid to, or does himself, for herself or itself or by or through [others,] an employee or employees of the contractor or of another contractor, construct, alter, repair, add to, subtract from, improve, move, wreck or demolish any building, highway, road, railroad, excavation or other structure, project, development or improvement, or to do any part thereof, including the erection of scaffolding or other structures or works in connection therewith. Evidence of the securing of any permit from a governmental agency or the employment of any person on a construction project must be accepted by the Board or any court of this State as prima facie evidence that the person securing that permit or employing any person on a construction project is acting in the capacity of a contractor pursuant to the provisions of this chapter.
- 3. A contractor includes a subcontractor or specialty contractor, but does not include anyone who merely furnishes materials or supplies without fabricating them into, or consuming them in the performance of, the work of a contractor.
- 4. A contractor includes a construction manager who performs management and counseling services on a construction project for a professional fee.
- 5. A contractor does not include an owner of a planned unit development who enters into one or more oral or written agreements with one or more general building contractors or general engineering contractors to construct a work of improvement in the planned unit development if the general building contractors or general engineering contractors are licensed pursuant to this chapter and contract with the owner of the planned unit development to construct the entire work of improvement.
- 6. As used in subsection 2, "employee" means a natural person who:
 - (a) Works under the direction and control of a contractor; and
 - (b) For federal income tax purposes:
- (1) Is required by the contractor to complete a Form W-4 for the withholding of federal income taxes from wages paid to the person by the contractor; and



- (2) Is provided at the end of each year a Form W-2 for the reporting of wages paid to the person by the contractor.
 - **Sec. 3.** NRS 624.3015 is hereby amended to read as follows:
- 624.3015 The following acts, among others, constitute cause for disciplinary action under NRS 624.300:
- 1. Acting in the capacity of a contractor beyond the scope of the license.
- 2. Bidding to contract or contracting for a sum for one construction contract or project in excess of the limit placed on the license by the Board.
- 3. Knowingly bidding to contract or entering into a contract with a contractor for work in excess of his or her limit or beyond the scope of his or her license.
- 4. Knowingly entering into a contract with a contractor while that contractor is not licensed.
- 5. Constructing or repairing a mobile home, manufactured home, manufactured building or commercial coach or factory-built housing unless the contractor:
 - (a) Is licensed pursuant to NRS 489.311;
- (b) Owns, leases or rents the mobile home, manufactured home, manufactured building, commercial coach or factory-built housing; or
- (c) Is authorized to perform the work pursuant to subsection 4 of NRS 118B.090 or subsection 2 of NRS 118B.097.
- 6. Engaging in any work or activities that require a contractor's license while the license is placed on inactive status pursuant to NRS 624.282.
- 7. Entering into any agreement, oral or written, express or implied, with a natural person who is not an employee of the licensee and not licensed as a contractor by which that person, either directly or through any person employed by that person, agrees to perform for the licensee any work which requires a contractor's license. In addition to any disciplinary or other action that may be taken against a licensee pursuant to this subsection, any agreement described by this subsection is void and unenforceable.
- 8. As used in subsection 7, "employee" has the meaning ascribed to it in subsection 6 of NRS 624.020.
- **Sec. 4.** 1. This section becomes effective upon passage and approval.
 - 2. Sections 1, 2 and 3 of this act become effective:



(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and (b) On October 1, 2021, for all other purposes.

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CHAPTER.....

AN ACT relating to contractors; prohibiting a person from performing any work concerning residential photovoltaic systems used to produce electricity without the proper license or other authorization under state law; establishing certain requirements for work concerning residential photovoltaic systems and contracts relating thereto; requiring the State Contractors' Board to adopt regulations establishing certain standards for advertisements for work concerning residential photovoltaic systems; providing that a contract for work concerning a residential photovoltaic system is not enforceable against an owner of a single-family residence under certain circumstances; authorizing the Board to require contractors who perform work concerning residential photovoltaic systems to obtain the services of a construction control, a performance bond or payment bond under certain circumstances; providing for penalties against a contractor who performs work concerning residential photovoltaic systems for certain violations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law governs the work of licensed contractors. (Chapter 624 of NRS) **Sections 3-5** of this bill define the terms "contract," "contractor," "electric utility," "residential photovoltaic system" and "work concerning a residential photovoltaic system used to produce electricity" for the purposes of certain provisions governing work concerning such systems and the licensees of the State Contractors' Board who perform that work.

Section 6 of this bill prohibits a person from performing any work on residential photovoltaic systems used to produce electricity without the proper license or other authorization under state law.

Section 7 of this bill sets forth the requirements for: (1) all work concerning residential photovoltaic systems used to produce electricity; (2) the contractors who perform the work; and (3) the owner-builders who direct the work.

Section 8 of this bill sets forth contractual requirements for the performance of work concerning residential photovoltaic systems used to produce electricity.

Section 9 of this bill: (1) authorizes the State Contractors' Board to adopt regulations establishing certain provisions which must be included in a contract for work concerning a residential photovoltaic system used to produce electricity; and (2) requires the contractor for such work to apply for and obtain all necessary permits and approvals.

Section 10 of this bill: (1) establishes certain requirements and prohibitions relating to advertisements and solicitations for work concerning residential photovoltaic systems used to produce electricity; (2) requires the Board to adopt by regulation standards for advertisements for work concerning residential photovoltaic systems used to produce electricity; and (3) prohibits a contractor from



certain uses of advertisements that do not comply with the standards adopted by the

Section 12 of this bill sets forth certain circumstances under which a contract for work concerning a residential photovoltaic system used to produce electricity is not enforceable against the owner of a single-family residence.

Section 13 of this bill authorizes the Board to require a contractor to obtain the services of a construction control if the Board determines that the contractor has violated certain provisions of law or regulation.

Section 14 of this bill provides that a violation of any provision of sections 2-14 of this bill constitutes cause for disciplinary action against a contractor by the Board and may be reported to the Office of the Attorney General as a potential deceptive trade practice.

Existing law authorizes the Board to require a contractor who performs certain work to obtain performance and payment bonds if the contractor: (1) is determined by the Board to have committed certain violations; (2) enters into a contract that is later found to be void and unenforceable against an owner; or (3) has five valid complaints filed against him or her with the Board within a 15-day period. (NRS 624.270) Section 15 of this bill: (1) makes these provisions applicable to contractors who perform work concerning residential photovoltaic systems used to produce electricity; and (2) authorizes the Board to require a contractor who performs certain work to obtain performance and payment bonds if the contractor enters into a contract that is later voided by the owner of the single-family residence.

Existing law sets forth certain acts and omissions that constitute cause for disciplinary action against a contractor by the Board. (NRS 624.3016) **Section 16** of this bill provides that a contractor's failure to comply with certain provisions of this bill or regulations adopted by the Board governing contracts for work concerning residential photovoltaic systems used to produce electricity constitutes cause for such disciplinary action.

Existing law sets forth the applicability of certain provisions governing construction controls. (NRS 627.175) **Section 17** of this bill provides that those provisions apply to a contractor who is required to obtain the services of a construction control to perform work concerning residential photovoltaic systems used to produce electricity.

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 624 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 14, inclusive, of this act.

- Sec. 2. As used in sections 2 to 14, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 5, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 3. "Contract" means any contract or agreement as described in NRS 598.9801 to 598.9822, inclusive, in which a



contractor agrees to perform work concerning a residential photovoltaic system used to produce electricity.

- Sec. 4. "Contractor" means a person licensed pursuant to the provisions of this chapter who performs work concerning residential photovoltaic systems used to produce electricity.
- Sec. 4.3. "Electric utility" has the meaning ascribed to it in NRS 704.187.
- Sec. 4.7. "Residential photovoltaic system" includes a distributed generation system as that term is defined in NRS 598.9804.
- Sec. 5. 1. "Work concerning a residential photovoltaic system used to produce electricity" or "work" means any of the following acts:
- (a) The construction, repair, maintenance, restoration, alteration or improvement of any photovoltaic system used to produce or store electricity on the customer's side of an electric meter on a single-family residence, including, without limitation, the repair or replacement of existing equipment or the installation of new equipment, as necessary; or
 - (b) Any activity for the supervision concerning such work.
- 2. The scope of such work includes the installation, alteration and repair of photovoltaic cells, batteries, inverters and storage systems used in the conversion of solar energy into electricity and the storage of that electricity on the customer's side of an electric meter on a single-family residence.
 - 3. The term does not include:
 - (a) Education regarding solar photovoltaics;
 - (b) Energy audits; or
 - (c) The advertising or solicitation of such work.
- Sec. 6. A person shall not, directly or indirectly, perform or offer to perform any work concerning a residential photovoltaic system used to produce electricity unless the person holds:
- 1. A license issued pursuant to this chapter which authorizes the person to perform such work; or
- 2. Any other license, certificate, registration or permit under state law which authorizes the person to perform such work.
- Sec. 7. 1. Any contractor who performs work concerning a residential photovoltaic system used to produce electricity shall, regardless of whether the work is performed under the direction of a builder who is also the owner of the single-family residence on which the work is being performed:
 - (a) Apply for and obtain all applicable permits for the work;



(b) Meet all applicable requirements imposed pursuant to this chapter and any regulations adopted by the Board with respect to contracts for work concerning a residential photovoltaic system used to produce electricity; and

(c) Meet all applicable requirements imposed by the Public Utilities Commission of Nevada or any system for the distribution

of electricity to which the work will interconnect.

- 2. If a contractor performs work concerning a residential photovoltaic system used to produce electricity and the work is performed under the direction of a builder who is also the owner of the single-family residence on which the work is being performed, the owner shall comply with all state and local laws and ordinances for the submission of names, licenses and information concerning any required bonds and insurance with respect to the contractors working on the work.
- 3. If work concerning a residential photovoltaic system used to produce electricity is performed under the direction of a builder who is exempt from having to obtain a license as a contractor because the builder is also the owner of the single-family residence on which the work is being performed, a person shall not, directly or indirectly, perform or offer to perform any act as a consultant, adviser, assistant or aide to the builder for the purposes of the project, including, without limitation, any act associated with obtaining permits for the project, or otherwise hold himself or herself out as being able to perform such acts, unless the person holds:
- (a) A license issued pursuant to this chapter which authorizes the person to perform such acts; or
- (b) Any other license, certificate, registration or permit under state law which authorizes the person to perform such acts.
- Sec. 8. 1. A contractor who receives an initial down payment or deposit of \$1,000 or 10 percent of the aggregate contract price, whichever is less, for work concerning a residential photovoltaic system used to produce electricity shall start the work within 30 days after the date all necessary permits for the work and all necessary approvals from an electric utility into whose system the residential photovoltaic system used to produce electricity will interconnect, if any, are issued, unless the person who made the payment agrees in writing to a longer period.
- 2. A contractor who receives money for work concerning a residential photovoltaic system used to produce electricity shall complete the work diligently and shall not refuse to perform any work agreed to in the contract for any 30-day period.



- 3. Except as otherwise provided in subsection 4, if satisfactory payment is made for any portion of the work performed, the contractor shall, before any further payment is made, furnish to the owner of the single-family residence on which the work was performed a full and unconditional release of the contractor's claim for a mechanic's lien for that portion of the work for which payment has been made.
- 4. The requirements of subsection 3 do not apply if the contract for the work provides for the contractor to furnish a bond for payment and performance or joint control covering full performance and completion of the contract and the bond or joint control is furnished by the contractor.
- 5. A contract for work concerning a residential photovoltaic system used to produce electricity must contain a written statement explaining the rights of the customer under sections 2 to 14, inclusive, of this act and other relevant statutes, including, without limitation, NRS 598.9801 to 598.9822, inclusive.
- 6. A contractor may require final payment for the final stage or phase of the construction of a residential photovoltaic system used to produce electricity after the system is deemed complete and any required inspections are completed.
- Sec. 9. 1. The Board may adopt by regulation mandatory elements to be included in all contracts to be used by contractors for work concerning a residential photovoltaic system used to produce electricity. Such mandatory elements must not be waived or limited by contract or in any other manner. On and after October 1, 2021, any contract entered into between a contractor and the owner of a single-family residence for work concerning a residential photovoltaic system used to produce electricity must comply with the provisions of sections 2 to 14, inclusive, of this act and all applicable regulations adopted by the Board. A contract that does not comply with the provisions of sections 2 to 14, inclusive, of this act and all applicable regulations adopted by the Board is voidable by the owner of the single-family residence.
- 2. Any contract for work concerning a residential photovoltaic system used to produce electricity must contain in writing at least the following information:
- (a) The name of the contractor, his or her address and contractor's license number and the monetary limit on that license.
- (b) The name and mailing address of the owner of the single-family residence on which the work is being performed and the address or legal description of the property.



- (c) The date of execution of the contract.
- (d) The estimated date of completion of all work to be performed under the contract.
- (e) A description of the work to be performed under the contract.
- (f) The total amount to be paid to the contractor by the owner of the single-family residence for all work to be performed under the contract, including all applicable taxes.
- (g) The amount, not to exceed \$1,000 or 10 percent of the aggregate contract price, whichever is less, of any initial down payment or deposit paid or promised to be paid to the contractor by the owner before the start of construction.
- (h) A statement that the contractor has provided the owner of the single-family residence with the notice and informational form required by NRS 624.600.
- (i) A statement that any change in the scope or price of the work to be performed under the contract must be agreed to in writing by the parties and incorporated into the original contract as a change order. A change order is not enforceable against the owner of the single-family residence who is contracting for work concerning a residential photovoltaic system used to produce electricity unless the change order sets forth all changes in the scope and price of the work and is accepted by the owner of the single-family residence.
- (j) For a project of new work concerning a residential photovoltaic system used to produce electricity, a plan and scale drawing showing the shape, size and dimensions of and the specifications for the construction and equipment for the work specified in the contract, and a description of the work to be done, the materials to be used and the equipment to be installed, and the agreed consideration for the work. For projects which consist exclusively of repairs to existing work concerning a residential photovoltaic system used to produce electricity, plans, scale drawings, equipment specifications and lists of materials and equipment are not required to be contained in or included with the contract.
- (k) Except as otherwise provided in this subsection and subsection 3, the dollar amount of any progress payment and the stage of construction at which the contractor will be entitled to collect progress payments from the owner of the single-family residence during the course of construction under a contract for the installation of a residential photovoltaic system used to produce electricity. The schedule of payments must show the



amount of each payment as a sum in dollars and cents. The schedule of payments must not provide for the contractor to receive, nor may the contractor actually receive, payments in excess of 100 percent of the value of the work performed on the project at any time, excluding finance charges, except for an initial down payment or deposit. With respect to a contract executed before October 1, 2021, if any schedule of payments set forth in the contract does not comply with the provisions of this chapter or any regulations adopted pursuant thereto:

(1) The obligation of the owner of the single-family residence to make payments in accordance with the payment

schedule is voidable; and

- (2) The lender, if any, may not initiate proceedings to enforce the payment of any applicable loan unless and until the contract is reformed or otherwise amended to comply with those provisions of law.
- (1) If a contract with the owner of a single-family residence for the installation of a residential photovoltaic system used to produce electricity provides for payment of a commission to a salesperson out of the contract price, a statement that the payment must be made on a pro rata basis in proportion to the schedule of payments made to the contractor by the disbursing party in accordance with the provisions of paragraph (k).
- (m) A disclosure of the retail price of a kilowatt-hour, any offsetting tariff and the identity of the electric utility that furnishes electric service to the single-family residence at the time the contract is executed.
- Except as otherwise provided in subsection 6, the contract may contain such other conditions, stipulations or provisions as to which the parties may agree.
- 3. The provisions of paragraph (k) of subsection 2 do not apply if:
- (a) The contractor has furnished a bond for payment and performance covering full performance and completion of the contract and the cost of the bond is included in the price of the project;
- (b) The contractor builds a residential photovoltaic system used to produce electricity as part of the original building plan pursuant to which the contractor builds a single-family residence on the premises; or
 - (c) The owner of the single-family residence has:



- (1) Purchased the residential photovoltaic system used to produce electricity pursuant to a power purchase agreement as defined in NRS 598.9807; or
- (2) Leased the residential photovoltaic system used to produce electricity pursuant to a monthly lease contract.
 - 4. The contract must contain:
- (a) A method whereby the owner of the single-family residence may initial provisions of the contract, thereby indicating that those provisions have been read and are understood.
- (b) In close proximity to the signatures of the owner of the single-family residence and the contractor, a notice stating that the owner of the single-family residence:
- (1) May contact the Board or the Public Utilities Commission of Nevada if assistance is needed to clarify any of the provisions of the contract that the owner of the single-family residence does not fully understand;
- (2) Has the right to request a bond for payment and performance if such a bond is not otherwise required pursuant to NRS 624.270;
- (3) May contact an attorney for an explanation of the rights of the owner of the single-family residence under the contract; and
- (4) May, if the contract was explained in a language other than the language in which the contract is written, ask for a contract that is written in the language in which the contract was explained.
- 5. At the time the owner of the single-family residence signs the contract, the contractor shall furnish to the owner of the single-family residence a legible copy of all documents signed and a written and signed receipt for any money paid to the contractor by the owner of the single-family residence. All written information provided in the contract must be printed in at least 10-point type. The contract, receipt and other documents referenced in this subsection may be delivered by electronic means.
- 6. A condition, stipulation or provision in a contract that requires a person to waive any right provided by this chapter or any regulations adopted pursuant thereto or relieves a person of an obligation or liability imposed by this chapter or those regulations is void. Failure to comply with the requirements of this section renders a contract voidable by the owner of the single-family residence.
- 7. The contractor shall apply for and obtain all necessary permits and approvals from an electric utility into whose system



the residential photovoltaic system used to produce electricity will interconnect.

- Sec. 10. 1. Advertisements and solicitations for work concerning a residential photovoltaic system used to produce electricity must be truthful and not materially misleading.
- 2. A person who makes an advertisement or solicitation for work concerning a residential photovoltaic system used to produce electricity shall not expressly or implicitly state that the person will perform the work, enter into a contract, express or implied, to perform the work or act as a contractor to perform the work unless the person holds:
- (a) A license issued pursuant to this chapter which authorizes the person to perform the work; or
- (b) Any other license, certificate, registration or permit under state law which authorizes the person to perform the work, → as provided pursuant to section 6 of this act.
- 3. A contractor shall not cause to be published or display any advertisement that does not comply with the standards adopted by the Board pursuant to subsection 4.
- 4. The Board shall adopt by regulation standards for advertisements used by contractors in connection with the solicitation or sale of contracts for work concerning residential photovoltaic systems used to produce electricity.
 - Sec. 11. (Deleted by amendment.)
- Sec. 12. 1. A contract for work concerning a residential photovoltaic system used to produce electricity is not enforceable against the owner of a single-family residence on which the work is being performed if the obtaining of a loan for all or a portion of the contract price is a condition precedent to the contract unless both of the following requirements are satisfied:
- (a) The owner of the single-family residence agrees to accept the loan or financing.
- (b) The owner of the single-family residence does not rescind the loan or financing transaction within the period prescribed for rescission pursuant to the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., or chapter 598 of NRS, if applicable.
- 2. Unless and until all applicable requirements of subsection 1 are satisfied, a contractor shall not:
 - (a) Perform or deliver any work, labor, material or services; or
- (b) Represent in any manner that the contract is enforceable or that the owner of the single-family residence has any obligation under the contract.



- Sec. 13. 1. If a contractor who performs work concerning a residential photovoltaic system used to produce electricity is determined by the Board to have violated:
- (a) One or more of the provisions of NRS 624.301 to 624.305, inclusive, or section 6, 8 or 9 of this act; or
- (b) Any regulation adopted by the Board with respect to contracts for work concerning a residential photovoltaic system used to produce electricity,
- the Board may require that the contractor obtain the services of a construction control for each contract that the contractor enters into for work concerning a residential photovoltaic system used to produce electricity.
 - 2. The contractor may not:
- (a) Be related to the construction control or to an employee or agent of the construction control; or
- (b) Hold, directly or indirectly, a financial interest in the business of the construction control.
- 3. As used in this section, "construction control" has the meaning ascribed to it in NRS 627.050.
- **Sec. 14.** 1. A violation of any provision of sections 2 to 14, inclusive, of this act or any regulation adopted by the Board with respect to contracts for work concerning a residential photovoltaic system used to produce electricity by a contractor:
- (a) Constitutes cause for disciplinary action pursuant to NRS 624.300; and
- (b) May be reported to the Office of the Attorney General as a potential deceptive trade practice pursuant to chapter 598 of NRS.
- 2. It is unlawful for a person to violate any provision of sections 2 to 14, inclusive, of this act.
- 3. Any person who violates any provision of sections 2 to 14, inclusive, of this act, shall be penalized pursuant to the applicable provisions of NRS 624.700 and 624.750.
- 4. The imposition of a penalty provided for in this section is not precluded by any disciplinary action taken by the Board against a contractor pursuant to the provisions of NRS 624.300 to 624.305, inclusive.
 - **Sec. 15.** NRS 624.270 is hereby amended to read as follows:
- 624.270 1. Before issuing a contractor's license to any applicant, the Board shall require that the applicant:
- (a) File with the Board a surety bond in a form acceptable to the Board executed by the contractor as principal with a corporation authorized to transact surety business in the State of Nevada as surety; or



- (b) In lieu of such a bond, establish with the Board a cash deposit as provided in this section.
- 2. Before granting renewal of a contractor's license to any applicant, the Board shall require that the applicant file with the Board satisfactory evidence that the applicant's surety bond or cash deposit is in full force, unless the applicant has been relieved of the requirement as provided in this section.
- 3. Failure of an applicant or licensee to file or maintain in full force the required bond or to establish the required cash deposit constitutes cause for the Board to deny, revoke, suspend or refuse to renew a license.
- 4. Except as otherwise provided in subsection 6, the amount of each bond or cash deposit required by this section must be fixed by the Board with reference to the contractor's financial and professional responsibility and the magnitude of the contractor's operations, but must be not less than \$1,000 or more than \$500,000. The bond must be continuous in form and must be conditioned that the total aggregate liability of the surety for all claims is limited to the face amount of the bond irrespective of the number of years the bond is in force. A bond required by this section must be provided by a person whose long-term debt obligations are rated "A" or better by a nationally recognized rating agency. The Board may increase or reduce the amount of any bond or cash deposit if evidence supporting such a change in the amount is presented to the Board at the time application is made for renewal of a license or at any hearing conducted pursuant to NRS 624.2545 or 624.291. Unless released earlier pursuant to subsection 5, any cash deposit may be withdrawn 2 years after termination of the license in connection with which it was established, or 2 years after completion of all work authorized by the Board after termination of the license, whichever occurs later, if there is no outstanding claim against it.
- 5. After a licensee has acted in the capacity of a licensed contractor in the State of Nevada for not less than 5 consecutive years, the Board may relieve the licensee of the requirement of filing a bond or establishing a cash deposit if evidence supporting such relief is presented to the Board. The Board may at any time thereafter require the licensee to file a new bond or establish a new cash deposit as provided in subsection 4:
- (a) If evidence is presented to the Board supporting this requirement;
- (b) Pursuant to subsection 6, after notification of a final written decision by the Labor Commissioner; or
 - (c) Pursuant to subsection 7.



- → If a licensee is relieved of the requirement of establishing a cash deposit, the deposit may be withdrawn 2 years after such relief is granted, if there is no outstanding claim against it.
- 6. If the Board is notified by the Labor Commissioner pursuant to NRS 607.165 or otherwise receives notification that three substantiated claims for wages have been filed against a contractor within a 2-year period, the Board shall require the contractor to file a bond or establish a cash deposit in an amount fixed by the Board. The contractor shall maintain the bond or cash deposit for the period required by the Board.
- 7. If a contractor who performs work concerning a residential pool or spa [:] or work concerning a residential photovoltaic system used to produce electricity:
- (a) Is determined by the Board to have violated one or more of the provisions of NRS 624.301 to 624.305, inclusive;
- (b) Enters into a contract [on or after July 1, 2001,] that is later found to be void and unenforceable against the owner pursuant to subsection 5 of NRS 624.940 or pursuant to any regulation adopted by the Board with respect to contracts for work concerning a residential pool or spa;
- (c) Enters into a contract on or after October 1, 2021, that is later voided by the owner of the single-family residence pursuant to subsection 6 of section 9 of this act or pursuant to any regulation adopted by the Board with respect to contracts for work concerning a residential photovoltaic system used to produce electricity; or
- **[(c)]** (d) Has five valid complaints filed against him or her with the Board within any 15-day period,
- the Board may require the contractor to comply with the provisions of subsection 8.
- 8. If the Board requires a contractor described in subsection 7 to comply with the provisions of this subsection, the contractor shall, before commencing work concerning a residential pool or spa or work concerning a residential photovoltaic system used to produce electricity, obtain:
- (a) Except as otherwise provided in this subsection, a performance bond in an amount equal to not less than 50 percent of the amount of the contract, conditioned upon the faithful performance of the contract in accordance with the plans, specifications and conditions set forth in the contract. The performance bond must be solely for the protection of the owner of the property to be improved.



- (b) Except as otherwise provided in this subsection, a payment bond in an amount equal to not less than 50 percent of the amount of the contract. The payment bond must be solely for the protection of persons supplying labor or materials to the contractor, or to any of his or her subcontractors, in carrying out the provisions of the contract.
- → A bond required pursuant to this subsection must be provided by a person whose long-term debt obligations are rated "A" or better by a nationally recognized rating agency. The contractor shall maintain the bond for the period required by the Board. The contractor shall furnish to the building department of the city or county, as applicable, in which the work will be carried out, a copy of any bond. In lieu of a performance or payment bond, the contractor may obtain an equivalent form of security approved by the Board.
- 9. As used in this section, "substantiated claim for wages" has the meaning ascribed to it in NRS 607.165.
 - **Sec. 16.** NRS 624.3016 is hereby amended to read as follows:
- 624.3016 The following acts or omissions, among others, constitute cause for disciplinary action under NRS 624.300:
- 1. Any fraudulent or deceitful act committed in the capacity of a contractor, including, without limitation, misrepresentation or the omission of a material fact.
- 2. A conviction of a violation of NRS 624.730, or a conviction in this State or any other jurisdiction of a felony relating to the practice of a contractor or a crime involving moral turpitude.
- 3. Knowingly making a false statement in or relating to the recording of a notice of lien pursuant to the provisions of NRS 108.226.
- 4. Failure to give a notice required by NRS 108.227, 108.245, 108.246 or 624.520.
- 5. Failure to comply with NRS 624.920, 624.930, 624.935 or 624.940 or any regulations of the Board governing contracts for work concerning residential pools and spas.
 - 6. Failure to comply with NRS 624.600.
- 7. Misrepresentation or the omission of a material fact, or the commission of any other fraudulent or deceitful act, to obtain a license.
- 8. Failure to pay an assessment required pursuant to NRS 624.470.
- 9. Failure to file a certified payroll report that is required for a contract for a public work.



- 10. Knowingly submitting false information in an application for qualification or a certified payroll report that is required for a contract for a public work.
- 11. Failure to notify the Board of a conviction or entry of a plea of guilty, guilty but mentally ill or nolo contendere pursuant to NRS 624.266.
- Failure to provide a builder's warranty as required by NRS 624.602 or to respond reasonably to a claim made under a builder's warranty.
- 13. Failure to comply with sections 6 to 9, inclusive, of this act or any regulations of the Board governing contracts for work concerning residential photovoltaic systems used to produce electricity.
 - **Sec. 17.** NRS 627.175 is hereby amended to read as follows:
- 627.175 1. Except as otherwise provided in subsection 2, the following shall not be a construction control or subject to the provisions of this chapter:
- (a) A contractor licensed under the laws of the State of Nevada, paying a subcontractor, supplier of material, laborer or other person for bills incurred in the construction, repair, alteration or improvement of any premises.
- (b) A subcontractor licensed to do business under the laws of the State of Nevada, paying a subcontractor, supplier of material, laborer or other person for bills incurred in the construction, repair, alteration or improvement of any premises.
- (c) An owner-contractor paying a contractor, subcontractor, supplier of material, laborer or other person for bills incurred in the construction, repair, alteration or improvement of any premises.
- (d) A lender of construction loan money, provided that the lender disburses the money directly to a contractor authorized by the borrower to do the work, or disburses the money directly to the owner of the premises.
- (e) A lender of construction loan money, to an owner of a residential property or to an owner of not more than four units if the loan is made to repair or improve such property and the construction costs are \$10,000 or less, or 35 percent of the appraised value of the improvements and repairs, whichever is greater.
- 2. The provisions of this chapter apply to a contractor who is required to obtain the services of a construction control pursuant to the provisions of NRS 624.264, 624.323 or 624.960 [...] or section 13 of this act.



SECRETARY OF STATE FILING DATA

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FILED.NV.SOS 2021 DEC 22 AM9: 15 For Filing Administrative Regulations

AGENCY: STATE CONTRACTORS BOARD

LCB File No. R022-21

FOR EMERGENCY REGULATIONS ONLY
EFFECTIVE DATE
EXPIRATION DATE
GOVERNOR'S SIGNATURE

Classification: PROPOSED MADOPTED BY AGENCY DEMERGE	Classification:	□ PROPOSED	MADOPTED BY AGENCY	□EMERGENC\
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Brief Description of Action: As required by NRS 624.300 and NRS 624.361, the Board previously adopted regulations that establish the standards for determining the amount of an administrative fine imposed upon Nevada contractors that violate certain statutory provisions. The purpose of the proposed regulation is to update the administrative fines laid out in the existing regulation to create fine ranges for new disciplinary violations created or amended during the 2021 legislative session by AB 51, AB 227 and SB 303 to establish an administrative fine range assessment for a contractor who violates subsection 7 of NRS 624.3016 and NRS 624.520. The proposed regulation also makes conforming changes to NAC 624.6932.

Authority citation other than 233B: <u>NRS 624.100; NRS 624.300; NRS 624.3013; NRS 624.3016; NRS 624.335; NRS 624.341; NRS 624.361; NRS 624.710.</u>

Notice Date: <u>10/13/21</u>

Hearing Date: 11/16/2021

Date of Adoption by Agency: 11/18/2021

APPROVED REGULATION OF THE

STATE CONTRACTORS' BOARD

LCB File No. R022-21

Filed December 22, 2021

EXPLANATION - Matter in italics is new; matter in brackets omitted is material to be omitted.

AUTHORITY: § 1, NRS 624.100; § 2, NRS 624.300.

A REGULATION relating to contractors; revising the information a contractor is required to provide to certain clients; providing for and amending administrative fines; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the State Contractors' Board to make reasonable regulations. (NRS 624.100) Existing regulations require a contractor to provide an informational form to an owner of a single-family residence when the contractor enters into contract with the owner regarding the license the contractor must possess. (NAC 624.6932) Section 1 of this regulation removes two obsolete addresses from the informational form.

Existing law authorizes the Board to impose administrative fines of not more than \$10,000 for acts which constitute a cause for disciplinary action. (NRS 624.300) Section 2 of this regulation establishes new administrative fines if a contractor enters into a contract to perform work without the required license or fails to comply with state law governing contracts for work concerning residential photovoltaic systems used to produce electricity. (NRS 624.3015, as amended by section 3 of Assembly Bill No. 227, Chapter 176, Statutes of Nevada 2021, at page 817; NRS 624.3016, as amended by section 16 of Senate Bill No. 303, Chapter 227, Statute of Nevada 2021, at page 1060) Section 2 increases the fine for a contractor failing to adequately advise a customer of his or her rights under state law. (NRS 624.520, as amended by section 5 of Assembly Bill No. 51, Chapter 98, Statutes of Nevada 2021, at page 421)

Section 1. NAC 624.6932 is hereby amended to read as follows:

624.6932 The informational form that a general building contractor is required to provide regarding contractors pursuant to paragraph (a) of subsection 3 of NRS 624.600 to the owner of a single-family residence with whom he or she has contracted must be as follows:

Contractors are required by law to be licensed and regulated by the State Contractors' Board. The State Contractors' Board has jurisdiction to investigate complaints that are filed against contractors. Any questions concerning a contractor may be referred to the State Contractors' Board.

(1) 9670 Gateway Drive

Suite 100

Reno, Nevada 89521

(775) 688-1141; or

(2) 2310 Corporate Circle

Suite 200

Henderson, Nevada 89074

(702) 486-1100.

The law of this State requires that a person or entity who enters into a contract to perform construction work be properly licensed by the State Contractors' Board for the category of work that the person or entity intends to perform. Laws regulating licensed

contractors are designed to protect the public. If you contract with a person or entity who is not licensed to perform construction work, your remedies against that person or entity may be limited to a suit in civil court. You may be liable for damages arising out of any injuries to an unlicensed contractor or that contractor's employees, as well as withholding taxes, contributions pursuant to the Federal Insurance Contributions Act and contributions for industrial insurance and unemployment compensation. In addition, you must comply with other applicable state and federal laws regarding employment. Finally, you should be aware that construction performed on your property must comply with all applicable laws, ordinances, building codes and regulations.

A contractor is required to include the contractor's license number on all of his or her advertising, vehicles, bids and contracts. You may contact the State Contractors' Board to find out if a contractor has a valid license and, if so, the status of that license and the status of any disciplinary action by visiting the website of the Board at http://www.nvcontractorsboard.com or calling the Board at one of the telephone numbers listed above.

- **Sec. 2.** NAC 624.7251 is hereby amended to read as follows:
- 624.7251 1. If the Board or its designee issues an order imposing an administrative fine pursuant to the provisions of this chapter and chapter 624 of NRS, each such fine assessed by the Board or its designee must:
 - (a) Specify the violation for which the person is being cited; and

(b) Subject to the provisions of subsections 2, 3 and 4, be in an amount which is not less than the minimum amount or more than the maximum amount as follows for the violation:

Violation	Minimum Fine	Maximum Fine
NRS 624.301	\$1,000	\$10,000
Paragraph (a) of subsection 1 or subparagraph (4)		
of paragraph (b) of subsection 1 of NRS		
624.3011	500	10,000
Subparagraph (1), (2) or (3) of paragraph (b) of		
subsection 1 of NRS 624.3011	1,000	10,000
Subsection 1, 2 or 3 of NRS 624.3012	1,000	10,000
Subsection 4 of NRS 624.3012	500	10,000
Subsection 1 or 4 of NRS 624.3013	250	10,000
Subsection 2 of NRS 624.3013	1,000	10,000
Subsection 3 of NRS 624.3013	500	10,000
Subsection 5 of NRS 624.3013	50	10,000
NRS 624.3014	100	50,000
Subsection 1 or 6 of NRS 624.3015	250	10,000
Subsection 2, 3 or 4 of NRS 624.3015	1,000	50,000
Subsection 5 of NRS 624.3015	500	10,000

Violation	Minimum Fine	Maximum Fine
Y IUIALIUII	willim rine	- IVIAXIMIIM FINE

Subsection 7 of NRS 624.3015, as amended by	
section 3 of Assembly Bill No. 227, Chapter 176,	
Statutes of Nevada 2021, at page	
8171,000	10,000
Subsection 1, 2, 4, 6, 7 or 8 of NRS 624.3016250	10,000
Subsection 3, 5, 10, 11, [or] 12 or 13 of NRS	
624.3016, as amended by section 16 of Senate Bill	
No. 303, Chapter 227, Statutes of Nevada 2021 at	
page 1060	10,000
Subsection 9 of NRS 624.3016100	10,000
NRS 624.30165250	10,000
Subsection 1 of NRS 624.3017500	10,000
Subsection 2 of NRS 624.301750	10,000
Subsection 3 of NRS 624.3017100	10,000
Subsection 1 of NRS 624.302	50,000
Subsection 5 or 6 of NRS 624.302250	10,000
Subsection 7 of NRS 624.3021,000	10,000
Subsection 1 of NRS 624.3051,000	50,000

Violation Minimum Fine

Maximum Fine

NRS 624.520, as amended by section 5 of

Assembly Bill No. 51, Chapter 98, Statutes of

[250] 500	Nevada 2021, at page 421[[100]250
50,000	Subsection 1 of NRS 624.700
50,000	Subsection 1, 3 or 4 of NRS 624.7201,000
50,000	NRS 624.7401,000

- 2. In determining the amount of an administrative fine to be imposed pursuant to subsection 1, the Board or its designee will consider the factors set forth in paragraphs (a), (b) and (c) of subsection 4 of NRS 624.300 and paragraphs (a), (b) and (c) of subsection 2 of NRS 624.710, as applicable.
- 3. Unless otherwise prohibited by law and except as otherwise provided by subsection 6, the Board or its designee may reduce or stay a fine assessed pursuant to subsection 1 or any other penalty imposed pursuant to this chapter or chapter 624 of NRS pending completion of a training program, examination or any other means of remediation or retraining required by the Board or its designee which is based upon the circumstances for which the fine was assessed or the penalty imposed.
- 4. The Board or its designee will assess the maximum fine listed in subsection 1 only if one or more of the following circumstances apply:

- (a) The cited person has a history of violating the same or similar sections of NRS, NAC or any relevant administrative order;
 - (b) The administrative citation specifies more than one violation;
 - (c) The cited person has unreasonably ignored written warnings;
 - (d) The violation or violations have caused harm to other persons;
- (e) The violation or violations were perpetrated against a person 60 years of age or older or a person with a diagnosed physical or mental disability; or
 - (f) The violation or violations involved a construction project costing more than \$500,000.
- 5. The Board or its designee will assess the maximum fine listed in subsection 1 if the cited person has previously violated the same or similar sections of NRS, NAC or any relevant administrative order at least twice in the immediately preceding 5 years.
 - 6. If the Board or its designee intends to exercise the discretion authorized in subsection 3:
- (a) The Board or its designee may state the reasons for the exercise of discretion orally at the hearing on the matter and must state such reasons in writing in a written order or decision on the matter; and
- (b) The reasons for the exercise of discretion must be derived from the presentation of the case and the findings or determinations of the Board or its designee based on the presentation of the case.



NEVADA STATE CONTRACTORS BOARD

5390 KIETZKE LANE, SUITE 102, RENO, NEVADA, 89511 (775) 688-1141 FAX (775) 688-1271, INVESTIGATIONS (775) 688-1150 2310 CORPORATE CIRCLE, SUITE 200, HENDERSON, NEVADA, 89074 (702) 486-1100 FAX (702) 486-1190, INVESTIGATIONS (702) 486-1110 www.nscb.nv.gov

INFORMATIONAL STATEMENT OF ADOPTED REGULATION AS REQUIRED BY ADMINISTRATIVE PROCEDURES ACT, NRS 233B.066 LCB FILE NO. R022-21

The following statement is submitted for adopted amendments to the Nevada Administrative Code (NAC) Chapter 624 in compliance with NRS 233B.066.

1. A clear and concise explanation of the need for the adopted regulation.

As required by NRS 624.300 and NRS 624.361, the Board previously adopted regulations that establish the standards for determining the amount of an administrative fine imposed upon Nevada contractors that violate certain statutory provisions. The purpose of the proposed regulation is to update the administrative fines laid out in the existing regulation to create fine ranges for new disciplinary violations created or amended during the 2021 legislative session by AB 51, AB 227 and SB 303 to establish an administrative fine range assessment for a contractor who violates subsection 7 of NRS 624.3016 and NRS 624.520. The proposed regulation also makes conforming changes to NAC 624.6932.

2. A description of how public comment was solicited, a summary of the public response and an explanation of how other interested persons may obtain a copy of the summary.

The notice of workshop and notice of hearing to solicit comments on the proposed regulation was posted on the agency's website and on the Nevada Public Notice Website, State Library and Archives, both offices of the Nevada State Contractors Board. Additionally, the notice of workshop and hearing, and the proposed regulation were e-mailed electronically to approximately 461 individuals and organizations who have expressed interest in being kept informed of the Board's meetings. Public comment was solicited in the Notice of Workshop and Hearing which included the proposed regulation and small business impact statement.

Public comment was also solicited at the workshop held on November 9, 2021 and at the hearing held on November 16, 2021 and November 18, 2021. The public workshop and hearing took place at the office of the Board, 2310 Corporate Circle, Suite 200, Henderson, Nevada 89074 with simultaneous videoconferencing with the Board's office, 5390 Kietzke Lane, Suite 102, Reno, Nevada 89511. No public comments were received.

3. The number of persons who:

Attended each hearing: 0

Testified at each hearing: 0

Submitted to the agency written statements: 0

4. Names & Addresses of persons either submitting written statements or testimony:

None.

5. A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.

The notice of workshop and notice of hearing to solicit comments on the proposed regulation was posted on the agency's website and on the Nevada Public Notice Website, State Library and Archives, both offices of the Nevada State Contractors Board. Additionally, the notice of workshop and hearing, and the proposed regulation were e-mailed electronically to approximately 461 individuals and organizations who have expressed interest in being kept informed of the Board's meetings. Public comment was solicited in the Notice of Workshop and Hearing which included the proposed regulation and small business impact statement.

Public comment was also solicited at the workshop held on November 9, 2021 and at the hearing held on November 16, 2021. The public workshop and hearing took place at the office of the Board, 2310 Corporate Circle, Suite 200, Henderson, Nevada 89074 with simultaneous videoconferencing with the Board's office, 5390 Kietzke Lane, Suite 102, Reno, Nevada 89511. No public comments were received.

6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The regulation was adopted without changing any part of the proposed regulation since no public comment was received at the workshop or hearing and no written comments were received by the agency.

- 7. The estimated economic effect of the regulation on the business which it is to regulate and on the public.
 - A) Estimated economic effect on the businesses which they are to regulate.

 The regulation should not result in any adverse economic effect on businesses in which they regulate.
 - B) Estimated economic effect on the public which they are to regulate

 The regulation should not result in any adverse economic effect on the general public.
- 8. The estimated cost to the agency for enforcement of the proposed regulation.

The proposed regulation will not result in any cost to the agency.

9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

The proposed regulation does not overlap or duplicate any regulation.

10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

There are no federal regulations that apply.

11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

This regulation does not establish a new fee or increase an existing fee.

SECRETARY OF STATE **FILING DATA**

FILED.NV.SOS 2021 DEC 22 AM9.18

For Filing Administrative Regulations

AGENCY: STATE CONTRACTORS BOARD

> LCB File No. R030-21

FOR EMERGENCY REGULATIONS ONLY
EFFECTIVE DATE
EXPIRATION DATE
GOVERNOR'S SIGNATURE

⊠ADOPTED BY AGENCY

DEMERGENCY

Brief Description of Action: The purpose of the proposed regulation is to amend Chapter 624 of the Nevada Administrative Code to comply with the provisions of SB 303 which require the agency to adopt by regulation standards for advertisements concerning residential photovoltaic systems used to produce electricity. The proposed regulation: (1) prohibits a contractor from engaging in deceptive advertising or "bait and switch" advertising regarding work concerning residential photovoltaic systems used to produce electricity; and (2) describes the acts which constitute such prohibited advertising.

Authority citation other than 233B: NRS 624.100; Section 10 of Senate Bill No. 303, chapter 227, Statutes of Nevada 2021, at page 1057; NRS 624.300; NRS 624.3013; NRS 624.3016; NRS 624.335; NRS 624.341; NRS 624.361; NRS 624.710.

Notice Date: 10/13/21

Hearing Date: <u>11/16/2021</u>

Date of Adoption by Agency: 11/18/2021

APPROVED REGULATION OF THE

STATE CONTRACTORS' BOARD

LCB File No. R030-21

Filed December 22, 2021

EXPLANATION - Matter in italics is new; matter in brackets omitted material is material to be omitted.

AUTHORITY: § 1, NRS 624.100 and section 10 of Senate Bill No. 303, chapter 227, Statutes of Nevada 2021, at page 1057.

A REGULATION relating to contractors; prohibiting certain contractors from engaging in certain deceptive practices relating to advertising; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

During the 2021 Legislative Session, the Nevada Legislature passed Senate Bill No. 303, which requires the State Contractors' Board to adopt by regulation standards for advertisements used by contractors in connection with the solicitation or sale of contracts for work concerning residential photovoltaic systems used to produce electricity. (Section 10 of Senate Bill No. 303, chapter 227, Statutes of Nevada 2021, at page 1057) In accordance with that requirement, this regulation: (1) prohibits a contractor from engaging in deceptive advertising or "bait and switch" advertising regarding work concerning residential photovoltaic systems used to produce electricity; and (2) describes the acts which constitute such prohibited advertising.

- **Section 1.** Chapter 624 of NAC is hereby amended by adding thereto a new section to read as follows:
- 1. A contractor shall not engage in deceptive advertising or bait and switch advertising regarding work concerning a residential photovoltaic system used to generate electricity or the sale or lease of a residential photovoltaic system used to generate electricity.

- 2. A contractor engages in deceptive advertising if, when advertising work concerning a residential photovoltaic system used to generate electricity, the contractor knowingly:
- (a) Makes a false representation about work concerning a residential photovoltaic system used to generate electricity.
- (b) Makes a false representation as to the source, sponsorship, approval or certification of work concerning a residential photovoltaic system used to generate electricity.
- (c) Makes a false representation as to affiliation, connection, association with or certification by another person or entity.
- (d) Represents that work concerning a residential photovoltaic system used to generate electricity is of a particular standard, quality or grade, or that goods related to such work are of a particular style or model, if the contractor knows or reasonably should know that the work or goods do not meet the advertised standard, quality, grade, style or model.
- (e) Makes false or misleading statements of fact concerning the price of work concerning a residential photovoltaic system used to generate electricity or the reasons for, existence of or amounts of reductions in price.
- (f) Makes any untrue statement of a material fact while advertising for work concerning a residential photovoltaic system used to generate electricity.
- (g) Fails to disclose or omits any material fact in connection with advertising for work concerning a residential photovoltaic system used to generate electricity.
- (h) Disparages the goods, services or business of another provider of work concerning a residential photovoltaic system used to generate electricity by false or misleading representation of fact.

- (i) Advertises work concerning a residential photovoltaic system used to generate electricity with the intent not to perform the work as advertised.
- (j) Advertises work concerning a residential photovoltaic system used to generate electricity with the intent not to supply reasonably expected public demand, unless the advertisement discloses a limitation of quantity.
- (k) Advertises that work concerning a residential photovoltaic system used to generate electricity can be completed within a certain number of days, unless, at the time the advertisement was made, more than half of the projects of work concerning residential photovoltaic systems used to generate electricity the contractor has completed were completed within the advertised number of days.
- (I) As a part of an advertising plan or scheme, notifies a person that the person has won a prize and that as a condition of receiving the prize, the person must enter into a contract for work concerning a residential photovoltaic system used to generate electricity.
- (m) Advertises for work concerning a residential photovoltaic system used to generate electricity:
- (1) Using an illustration of a residential photovoltaic system used to generate electricity and setting forth a price, with interest if financed, that, at the time the advertisement was made, does not accurately reflect the completed residential photovoltaic system used to generate electricity as illustrated; or
- (2) Setting forth an offer for work concerning a residential photovoltaic system used to generate electricity that does not comply with the federal Truth in Lending Act, as amended, 15 U.S.C. §§ 1601 et seq., and any federal regulations adopted pursuant thereto.

- (n) Advertises that the use of a residential photovoltaic system used to generate electricity is free of charge without disclosing applicable costs which are a condition of receiving the residential photovoltaic system used to generate electricity.
- (o) Uses coercion, duress or intimidation in advertising work concerning a residential photovoltaic system used to generate electricity or the sale or lease of a residential photovoltaic system used to generate electricity.
- (p) Advertises work concerning a residential photovoltaic system used to generate electricity or the sale or lease of a residential photovoltaic system used to generate electricity without having all state, county or city licenses necessary to perform such work or conduct such sale or lease.
- (q) Fails to disclose or makes a false representation in advertising the characteristics, uses or benefits of:
 - (1) Work concerning a residential photovoltaic system used to generate electricity; or
 - (2) A residential photovoltaic system used to generate electricity.
 - 3. As used in this section:
- (a) "Advertising" means attempting by publication, dissemination, solicitation or circulation to induce, directly or indirectly, any person to enter into any obligation for work concerning a residential photovoltaic system used to generate electricity.
- (b) "Bait and switch advertising" means an offer to sell or lease goods or provide services which, in truth, the seller, lessor or provider may not intend or desire to sell, lease or provide, accompanied by one or more of the following practices:
 - (1) Refusal to show any goods which are advertised.

- (2) Disparagement in any material respect of the advertised goods or services or the terms of the sale, lease or contract.
- (3) Requiring other sales or services or other undisclosed conditions to be met before selling, leasing or providing the advertised goods or services.
- (4) Refusal to take orders for the sale, lease or provision of goods or services advertised for delivery within a reasonable time.
- (5) Showing or demonstrating defective goods for sale or lease which are unusable or impractical for the purposes set forth in the advertisement.
- (6) Accepting a deposit for the goods or services for sale, lease or provision and subsequently switching the purchase order, lease or contract to higher priced goods or services.
- (7) Tendering a lease of goods advertised for sale or a sale of goods advertised for lease or tendering terms of sale or lease less favorable than the terms advertised.



NEVADA STATE CONTRACTORS BOARD

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INFORMATIONAL STATEMENT OF ADOPTED REGULATION AS REQUIRED BY ADMINISTRATIVE PROCEDURES ACT, NRS 233B.066 LCB FILE NO. R030-21

The following statement is submitted for adopted amendments to the Nevada Administrative Code (NAC) Chapter 624 in compliance with NRS 233B.066.

1. A clear and concise explanation of the need for the adopted regulation.

The purpose of the proposed regulation is to amend Chapter 624 of the Nevada Administrative Code to comply with the provisions of SB 303 which require the agency to adopt by regulation standards for advertisements concerning residential photovoltaic systems used to produce electricity. The proposed regulation: (1) prohibits a contractor from engaging in deceptive advertising or "bait and switch" advertising regarding work concerning residential photovoltaic systems used to produce electricity; and (2) describes the acts which constitute such prohibited advertising.

- 2. A description of how public comment was solicited, a summary of the public response and an explanation of how other interested persons may obtain a copy of the summary.
 - a) A description of how public comment was solicited:

The notice of workshop and notice of hearing to solicit comments on the proposed regulation was posted on the agency's website and on the Nevada Public Notice Website, State Library and Archives, both offices of the Nevada State Contractors Board. Additionally, the notice of workshop and hearing, and the proposed regulation were e-mailed electronically to approximately 461 individuals and organizations who have expressed interest in being kept informed of the Board's meetings. Public comment was solicited in the Notice of Workshop and Hearing which included the proposed regulation and small business impact statement.

Public comment was also solicited at the workshop held on November 9, 2021 and at the hearing held on November 16, 2021 and November 18, 2021. The public workshop and hearing took place at the office of the Board, 2310 Corporate Circle, Suite 200, Henderson, Nevada 89074 with simultaneous videoconferencing with the Board's office, 5390 Kietzke Lane, Suite 102, Reno, Nevada 89511.

Public comment from Mr. Stephen Lassiter, Senior Manager of Public Policy with Sunrun, Ms. Jessica Ferrato with Crowley & Ferrato Public Affairs, representing the Solar Energy Industries Association, the national trade association on solar, and Senior Deputy Attorney General Michelle Newman with the Office of the Attorney General, Bureau of Consumer Protection was received and considered.

b) A summary of the responses from the public:

Four written comments were received between July 15, 2021 and October 14, 2021 related to questions concerning language in the draft regulation. As a result, certain provisions were omitted or modified before the workshop. One additional written comment was received on November 3, 2021 and was taken into consideration.

At the hearing on November 16, 2021, Senior Deputy Attorney General Michelle Newman with the Office of the Attorney General, Bureau of Consumer Protection provided testimony and suggested changes concerning additional practices that would be fraudulent or deceitful advertising.

c) An explanation of how other interested persons may obtain a copy of the summary:

The summary in part 2(b) above reflects the public comment and testimony that transpired with the regard to R030-21. A copy of said summary may be obtained by contacting Diana Wallace, Administrative Assistant, at (775) 850-7862 or diwallace@nscb.state.nv.us.

3. The number of persons who:

Attended each hearing: 2

Testified at each hearing: 1

Submitted to the agency written statements: 5

4. Names & Addresses of persons either submitting written statements or testimony:

Senior Deputy Attorney General Michelle Newman Office of the Attorney General, Bureau of Consumer Protection 100 North Carson Street Carson City, NV 89701

Krystal Hosmer Robco Electric Inc 5692 La Costa Canyon Ct, Suite 105 Las Vegas, NV 89139

Sara Birmingham
Solar Energy Industries Association (SEIA)
sbirmingham@seia.org

Jessica Ferrato
Crowley & Ferrato Public Affairs (on behalf of Solar Energy Industries Association)
550 W. Plumb Ln.
Reno. NV 89509

Brian Reeder Ferrari Reeder Public Affairs (on behalf of Sunrun) 4741 Caughlin Pkwy Suite 2 Reno, NV 89519

Stephen Lassiter, Senior Manager of Public Policy Sunrun 225 Bush Street, Suite 1400 San Francisco, CA 94104

5. A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.

a) A description of how public comment was solicited:

Comments were solicited from affected businesses in the same manner as they were solicited from the public. Please see the description provided above in response to #2(a).

b) A summary of the responses from the affected businesses:

Four written comments were received between July 15, 2021 and October 14, 2021 related to questions concerning language in the draft regulation. As a result, certain provisions were omitted or modified before the workshop. One additional written comment was received on November 3, 2021 and was taken into consideration.

At the hearing on November 16, 2021, Senior Deputy Attorney General Michelle Newman with the Office of the Attorney General, Bureau of Consumer Protection provided testimony and suggested changes concerning additional practices that would be fraudulent or deceitful advertising.

c) An explanation of how other interested persons may obtain a copy of the summary:

The summary in part 5(b) above reflects the public comment and testimony that transpired with the regard to R-030-21. A copy of said summary may be obtained by contacting Diana Wallace, Administrative Assistant, at (775) 850-7862 or diwallace@nscb.state.nv.us.

6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The regulation was adopted with the changes introduced by the Office of the Attorney General Bureau of Consumer Protection, identified as AG Proposed Revisions 11.16.21.

- 7. The estimated economic effect of the regulation on the business which it is to regulate and on the public.
 - A) Estimated economic effect on the businesses which they are to regulate.

The regulation should not result in any adverse economic effect in either the immediate term or in the long term on businesses in which they regulate. Immediate and long-term beneficial effects upon the business that the regulation regulate include a leveling of the playing field from deceptive advertising.

B) Estimated economic effect on the public which they are to regulate

The regulation should not result in any adverse economic effect in either the immediate term or in the long term on the general public. Benefits for the public in the immediate and long-term include truthful advertising to increase the consumer confidence and decision-making.

8. The estimated cost to the agency for enforcement of the proposed regulation.

The proposed regulation will not result in any cost to the agency.

9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

The proposed regulation does not overlap or duplicate any regulation.

10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

There are no federal regulations that apply.

11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

This regulation does not establish a new fee or increase an existing fee.