

NSCB News Release



FOR IMMEDIATE RELEASE March 21, 2019 **CONTACT:** <u>Jennifer Lewis</u> Public Information Officer (702) 486-1111

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RESIDENTIAL RECOVERY FUND AWARDS OVER \$133,000 TO HARMED HOMEOWNERS

RENO and HENDERSON, Nev. – The Nevada State Contractors Board's Residential Recovery Fund awarded over \$133,000 to homeowners harmed by licensed contractors at its March 21 meeting. The Committee heard 11 claims, including three against Home Master, two against Sunpower by Renewable Energy Electric, Inc., and two against Hard Surfaces, Inc. Of the 13 claims, one was continued and one was denied.

"One of the greatest protections we offer owners of single-family residences is financial recourse through the Residential Recovery Fund when a contractor fails to uphold their responsibilities," expresses NSCB Executive Officer Margi Grein. "Homeowners who hire licensed Nevada contractors should always be cautious of paying significantly large down payments before work is performed. Anyone with workmanship concerns or concerns their home construction project has been abandoned is encouraged to file a complaint with our office. Our services are completely free to the public."

Two claims considered and approved by the Residential Recovery Fund Committee for a cumulative award of nearly \$65,000 involved homeowners whose construction projects were abandoned after payments had been made to the contractor. In these instances, one homeowner hired Grizzly Construction to construct a garage and living quarter, and a second homeowner hired Home Masters to perform a kitchen remodel and paint the master bedroom. Both contractors were properly licensed at the time the contracts were signed, but have since had their licenses revoked.

Another homeowner hired Hard Surfaces, Inc. for a home remodel project. Work commenced on the project for over a year, leaving the homeowner with several workmanship concerns. The Board's

investigation validated several items, which were never corrected by Hard Surfaces, Inc., who has since had their license revoked. As such, the Residential Recovery Fund Committee awarded the maximum amount of \$35,000 to assist the homeowner in recovering the losses validated by the Board.

Since the beginning of the fiscal year on July 1, 2018, the Residential Recovery Fund has awarded over \$730.000 to harmed homeowners.

The Recovery Fund is available to Nevada owners of single-family residences who conduct business with licensed contractors for the performance of any construction, remodeling, repair or improvement project. Owners must occupy the residence to qualify. An applicant's eligibility to receive funds is determined after an investigation is conducted by NSCB. The State Legislature established the fund in 1999 to give homeowners additional protections. It has since awarded more than \$11 million to financially harmed individuals since its inception.

Nevada Revised Statutes 624.520 requires contractors performing residential work to provide homeowners information regarding the Residential Recovery Fund in the residential contract.

The Nevada State Contractors Board is committed to protecting the public's health, safety, and welfare through licensing and regulation of the construction industry. Under Nevada Revised Statutes, a licensee is subject to disciplinary action by the Board for failure to comply with the requirements of the laws or regulations governing contractors. Violations may result in Board action against the contractor's license. The State Contractors Board has the power to regulate contractors and discipline licensees who violate NRS 624. Disciplinary action may consist of a fine of up to \$10,000 per offense, order corrective action, suspension, revocation or other action.

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