

NSCB News Release



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<u>CONTRACTORS BOARD JOINS NATIONAL EFFORT TO COMBAT</u> <u>UNLICENSED CONTRACTING</u>

LAS VEGAS and RENO, Nev. – As part of a month-long crackdown on unlicensed construction activity, the Nevada State Contractors Board's Special Investigations Unit conducted an undercover sting operation in southern Nevada and performed 86 proactive jobsite visits statewide to check for unlicensed construction activities.

The Board's sting operation resulted in six criminal cases for alleged unlawful activities, including advertising without a license (NRS 624.720) and contracting without a license (NRS 624.700). One of the suspects was arrested by Henderson Police Department on a custodial warrant. In addition to these efforts, Board investigative staff opened 12 criminal cases, issued three cease and desist orders, and identified 27 statutory violations as a result of proactive community sweeps. Some of the investigations opened remain pending.

"Unlicensed contracting activities are serious, and the consequences can be devastating to homeowners who are taken advantage of because of the loss of protections and recourse they face in their time of need," NSCB Executive Officer Margi A. Grein said. "Being able to join forces with states across the nation and share a unified message about the dangers of unlicensed contracting help reinforce the gravity of the issue and demonstrate the importance of always verifying contractors are properly licensed to perform work on your home."

The concentrated effort in Nevada was part of a nationwide effort to curtail illegal contracting and highlight the financial and public safety threats it presents. Coordinated by the National Association of State Contractors Licensing Agencies (NASCLA), contractors boards in Arizona, California, District of Columbia, Florida, Mississippi, New Mexico, Oregon, and Rhode Island, also scheduled stings and proactive enforcement activities between June 3 and June 21 to identify and prosecute suspected unlicensed contractors. Details of all states' efforts can be found on NASCLA's website: https://www.nascla.org/blogpost/1535522/Press-Releases.

In Nevada, unlicensed contractor sting operations are an opportunity for Board investigators to pose as home and business owners in an effort to solicit bids from unlicensed contractors who have advertised services often requiring a contractor's license on online bulletin boards, social media, and other locations. Bids received from unlicensed individuals in excess of \$1,000, including labor and material, or for work that requires a contractor's license or building permit are illegal. Upon receipt of an illegal bid, Board investigators disclose their affiliation, issue a criminal citation in most cases, and encourage the unlicensed individual to obtain their contractor's license, which may result in a lesser penalty.

Nevada law requires any electrical, plumbing, heating and air conditioning or fire protection work to be performed by a properly licensed Nevada contractor, as these are trades that can have significant life safety impacts on the public.

"Homeowners who fail to verify if their contractor is properly licensed subject themselves to potential financial loss as a result of poor workmanship or project abandonment, as well as personal liability if the unlicensed worker gets injured on their property," Grein said. "By using the Board's website or its mobile application to check the status of a license, homeowners can proceed with confidence during their project knowing they have four years of protection with the Board should any workmanship or contractual issues arise."

Nevada's Residential Recovery Fund is available to owners of single-family residences only if they hire licensed contractors. The fund allows an owner who is damaged by a licensed contractor up to four years from the date work is performed to submit a claim. The fund may award up to \$35,000 for repairs.

The Contractors Board urges anyone who comes across unlicensed contracting activities to report the information to NSCB's Unlicensed Contractor Hotline: (702) 486-1160 or (775) 850-7838. Details to provide the Board, when available, include the unlicensed contractor's name, address (business and/or physical location where work is being performed), phone number, vehicle description, license plate, business card and/or advertisement, contracts signed by the unlicensed person, etc.

Disclaimer – All alleged suspects are presumed innocent until proven guilty by a court of law.

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