

NEVADA STATE CONTRACTORS BOARD

FOR IMMEDIATE RELEASE September 14, 2021 CONTACT: Jennifer Lewis Public Information Officer (702) 486-1139

NEW RESIDENTIAL SOLAR CONTRACT REQUIREMENTS TAKE EFFECT OCTOBER 1

RENO and HENDERSON, Nev. – The Nevada State Contractors Board advises all residential licensed contractors engaging in photovoltaic (solar) installation or repair contracts of new statutory requirements that take effect October 1, 2021, pursuant to the provisions outlined in <u>Senate Bill 303</u> (2021 Legislative Session).

Sponsored by Senator Chris Brooks, SB 303 aims to standardize contractual expectations across the residential solar industry in an effort to improve consumer confidence and protections relative to solar install and repair projects. The new requirements also seek to mitigate deceptive trade practices and promote best practices within the industry. Furthering this objective is language permitting a homeowner to rescind a financing agreement for such projects as allowed by the Truth in Lending Act, typically within three days.

The new requirements pertain to all construction regarding a photovoltaic system used to produce or store electricity on the customer's side of an electric meter at a single-family residence as well as supervision of such construction work. All licensed contractors are encouraged to read through the entirety of <u>SB 303</u>, which amends NRS 624 and will be enforced by the NSCB effective Oct. 1.

Highlighted below are some of the more significant statutory changes for residential solar contracts. <u>PLEASE NOTE:</u> <u>The information below is not all-inclusive of the statutory requirements</u>. Any questions regarding implementation of these changes should be directed to your respective legal counsel for guidance.

The following requirements must be included in all residential solar contracts:

- Down payments must not exceed \$1,000 or 10 percent of the aggregate total contract price, whichever *is less*, of any initial down payment or deposit paid or promised to be paid to the contractor by the owner of the single-family residence before the start of construction.
- The estimated date of completion and a description of all work to be performed under the contract.
- Changes in scope or price of the work to be performed under the contract must be agreed to in writing by both parties; change orders are not enforceable if not adhered to as directed.
- New installation projects must include a plan and scale drawing showing the shape, size, dimensions, and specifications for the construction and equipment for work outlined in the contract.
- Information about progress payments and commissioned salespeople.
- Disclosure of the retail price of a kilowatt per hour, any offsetting tariff, and the identity of the provider-of-last-resort for the single-family residence at the time the contract is executed.
- Statement that the contractor is responsible for the acts, statements, and representations (written or oral), of a sales representative used in the advertising, marketing, or sale of residential solar systems.
- Notices informing consumers of the PUC, right to request performance bond, contact an attorney, or copy of the contract in the language used to explain the contract terms.
- Contractor must obtain all necessary permits and approvals from the interconnecting electrical utility provider.
- Violation of these statutes may result in discipline by NSCB and may be reported to the Nevada Attorney General's Office for a potential violation of the Deceptive Trade Practices Act.