

NEVADA STATE CONTRACTORS BOARD NEWS RELEASE

FOR IMMEDIATE RELEASE

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CONTRACTORS BOARD JOINS NATIONAL EFFORT TO COMBAT UNLICENSED CONTRACTING ACTIVITIES

HENDERSON and RENO, Nev. – Over the past three weeks, the Nevada State Contractors Board's (NSCB) Enforcement Division has been engaged in a multi-state effort to combat individuals unlawfully performing construction related activities in the State of Nevada, including those advertising without a license (NRS 624.720) and contracting without a license (NRS 624.700). Investigators from the Board's Compliance and Special Investigations Divisions teamed up to perform 121 site visits during the three-week time period where violations of NRS Chapter 624 were validated among licensed and unlicensed contractors.

The Board's investigations resulted in 20 criminal cases for unlawful construction activities; 8 cases related to violations of industry regulations under NRS 624; and the issuance of 13 Cease and Desist Orders, three criminal citations and four violation letters, which are generally administered to first-time offenders whose actions do not pose an immediate or serious threat to the public's health, safety, and welfare. Only two cases opened during the reporting period were found to have no violation established.

"Every day, Nevada consumers are harmed by the misleading and dishonest practices of unlicensed contractors. Nationwide efforts that collaboratively raise awareness of deceptive and unlawful contractor tactics are vital to the ongoing protection of the public's health, safety, and welfare," explains NSCB Executive Officer Margi A. Grein. "The cases filed with the Contractors Board reflect a small portion of the actual harm that is taking place within Nevada's communities. We want to use this opportunity to reinforce the hiring of licensed contractors, but also to encourage consumers to file complaints with our Board when they experience problems with their contractors, which allows us to investigate the facts and take appropriate action."

The nationwide effort to curtail illegal contracting and highlight the financial and public safety threats it presents was coordinated by the National Association of State Contractors Licensing Agencies (NASCLA). Regulatory agencies overseeing contractors in Arizona, California, Florida, Minnesota, Mississippi, North Carolina, and Texas also participated in the proactive enforcement activities between June 7 and June 25. Details of all states' efforts can be found on NASCLA's website: www.nascla.org.

In Nevada, a contractor's license is required for any construction work that requires a license or building permit, or work that exceeds \$1,000, including labor and materials. Nevada law also 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 should always verify a contractor holds an 'Active' license with the Contractors Board before obtaining a bid or signing a contract," Grein said. "This quick step will afford consumers full access to the Board's investigative services up to four years from the date work is performed should something go wrong with their project. Workmanship issues validated through the Board's complaint process are ordered to be remedied by the contractor, and in cases where a contractor is unable, additional remedies may be provided."

Nevada's Residential Recovery Fund is available to owners of single-family residences who 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 Residential Recovery Fund Committee may award up to \$40,000 for eligible claims.

(more)



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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.

Common red flag warnings for unlicensed activity may include the following:

- Demands for cash payment.
- Heavily discounted deals or specials.
- Segregating contracts to stay below the \$1,000 statutory limit.
- No written contract verbal agreement only.
- · Checks payable to an individual, not a licensed company.

To best protect themselves, consumers should always use the following guidelines when hiring a contractor:

- Verify the contractor's license on the Board's website or mobile application (different than a business license).
- · Obtain a minimum of three bids.
- Ask for and follow up with references to inquire about past work completed
- Insist on a detailed, written contract
- Always pay with check or credit card never cash and obtain receipts.
- Keep documentation up to four years from the date work is performed.
- File a complaint with the Contractors Board if any issues arise that cannot be resolved with the contractor.

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

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