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# NSCB News Release



FOR IMMEDIATE RELEASE

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## **Contractors Board Warns Homeowners of Contracting Scams**

**HENDERSON**, **Nev.** – In recognition of *Consumer Protection Week*, the Nevada State Contractors Board is warning all Nevada homeowners of different contracting scams experienced throughout the state. Any person who believes they have been scammed by a licensed or unlicensed contractor should contact NSCB's hotline at (702) 486-1160 or (775) 850-7838.

"Consumer education and awareness is a top priority of the Contractors Board," said Margi A. Grein, NSCB Executive Officer. "We encourage all consumers to educate themselves of the various scam warning signs, become familiar with the process for reporting unscrupulous contracting activity, and to verify a contractor's license on our website at <a href="https://www.nscb.nv.gov">www.nscb.nv.gov</a>."

## UNLICENSED CONTRACTOR SCHEMES - COMMON RED FLAGS

- *Door-to-Door Solicitations* Contractors may come to the door immediately surveying damage and selling their services on-the-spot at a reduced price.
- Verbal Agreements Contractors may say that a written contract is unnecessary.
- High Pressure Sales Contractors may push for an immediate decision about work and does
  not allow the homeowner time to verify their contractor's license, obtain multiple bids, or
  check contractor references
- *Demands for Cash Payment* Contractors may insist on cash payments, even offering to drive/follow the homeowner to the bank to obtain the funds
- *Demands for Large Down Payment* Contractors may say that they need the majority of the funds to purchase supplies and pay workers prior to any work being performed. As a general rule of thumb, it is best not to pay more than ten percent down and not let payments get ahead of the work.

### TIPS FOR HIRING LICENSED CONTRACTORS

- 1. Ask for the contractor's license number and verify it on NSCB's website: <a href="www.nscb.nv.gov">www.nscb.nv.gov</a>. If you do not have access to the Internet, you can verify licensure by calling NSCB's office at (702) 486-1100 or (775) 688-1141.
- 2. Obtain at least three bids prior to making your decision.
- 3. Ask for references from each contractor and follow up with them to verify the quality and timeliness of the work previously performed for those customers.
- 4. Make sure your contract is as detailed as possible, including type/color of materials, payment schedules, etc.
- Never sign a contract until you understand all the terms and agreements.
- 6. Always obtain a receipt when payment is made. It is advised never to pay in cash only check or credit card.
- 7. Request lien releases after each phase of the project is complete.
- 8. Don't let the payments get ahead of the work.
- 9. Report any suspicious activities to the Contractors Board at (702) 486-1160 or (775) 850-7838.

It is a criminal offense to contract without a license in the State of Nevada. The first offense is a misdemeanor, second offense is a gross misdemeanor, and the third offense is a Class E felony.

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