

NEVADA STATE CONTRACTORS BOARD INDUSTRY BULLETIN

FOR IMMEDIATE RELEASE April 22, 2025

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2025 LEGISLATIVE SESSION DISCUSSES INDUSTRY-RELATED TOPICS INCLUDING SOLAR AND UNLICENSED CONTRACTING

RENO, NEV. – The Nevada State Contractors Board (NSCB or Board) has been actively engaged in the 83rd Legislative Session, providing testimony during committee meetings, responding to inquiries, providing information to legislators, and working collaboratively with industry groups, bill sponsors, state and local officials, and other community partners to ensure common goals are upheld and the integrity of the industry is prioritized.

Below is a summary of legislation that the NSCB is currently tracking and may be of interest to the industry. Contractors are invited to visit https://www.leg.state.nv.us/App/NELIS/REL/83rd2025 to view current updates and greater details on all bills introduced during this year's session.

- AB 264 (sponsored by Assemblymember Miller) establishes procedures for applicants of a professional
 or occupational license to obtain judicial review of the decision of a licensing agency denying an
 application based on the moral character or criminal history of the applicant. The bill was amended to
 remove NRS 624 as the NSCB already has a process for judicial review in place.
- AB 540 (sponsored by Assembly Committee on Government Affairs) was submitted by the Office of the Governor regarding attainable housing, specifically in rural areas in Nevada, and outlines a process for licensure by endorsement and provisional contractors' licenses. A person who is issued a contractor's license by endorsement must submit proof to the Board of their employment in a rural area, a business presence in a rural area or a contractual agreement to perform work in a rural area. They must also hold a valid and unrestricted contractor's license in the District of Columbia or any state or territory in the United States for at least 4 consecutive years.

The Board must approve or deny an application for a contractor's license by endorsement within 60 days after receipt of a completed application and the applicant must submit proof of insurance per NRS 624.256 and a bond pursuant to NRS 624.270. The applicant must not have been disciplined or have any disciplinary actions concerning their contractor's license by any regulatory authority in the District of

Columbia or any state or territory of the United States which they currently hold a license in. Fingerprints for criminal background checks must be submitted to the Board, and a person who obtains a contractor's license by endorsement must only perform work in a rural area of Nevada. This contractor's license by endorsement would expire on December 31, 2029.

Should the Director of the Department of Business and Industry determine there to be a shortage of skilled labor or licensed contractors in a rural area in Nevada that can impact the availability of attainable housing for essential workers employed in a rural area, the Director can issue a declaration of a shortage, which cannot be in effect for more than 3 years.

Provisional licensing requirements would expire 3 years after the date of issuance and mirror the endorsement requirements except for lowering the years of holding an active license from 4 to 3. A person who holds a provisional contractor's license may only perform work relating to attainable housing in the area where a declared shortage is made.

The Board shall not be allowed to charge any fee for a provisional contractor's license, any application fee in connection with obtaining or renewing any contractor's license, a fee for processing the fingerprints of an applicant for a contractor's license for anyone associated with the license, or an applicant for reinstatement for a license that was suspended in a rural area until the declaration of shortage is no longer in effect.

The Board must adopt any regulation regarding both the contractor's license by endorsement and provisional contractors' licenses before January 1, 2026. By December 31, 2028, the Board must submit to the Governor and the Director of the Legislative Counsel Bureau, a report that evaluates the impact in rural areas on attainable housing, local businesses and economic development that can be attributed to the issuance of contractor's licenses by endorsement and provide recommendations relating to whether the requirement for the Board to issue provisional contractor's license should be continued, modified or terminated.

- **SB 16** (sponsored by Senate Committee on Commerce and Labor) was submitted by the NSCB and authorizes the Board to refuse to issue a person a license for a period of not more than one year after the date on which the person submitted the bid when the work performed is in excess of \$1,000 without the proper licensure. The bill also makes interfering with an investigation or disciplinary proceeding grounds for disciplinary action, including criminal penalties.
- SB 78 (sponsored by Senate Committee on Revenue and Economic Development) was submitted by the Office of the Governor to define and revise the powers and duties of the Office of Nevada Boards,



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Commissions and Councils Standards of the Department of Business and Industry. This bill seeks to streamline the operations and licensing processes of Boards, Commissions and Councils under the authority of the Department of Business and Industry. The NSCB remains in discussions with Business and Industry and the Administration to mitigate unintended consequences this bill would have on contractor license processes, legislative capabilities, Board composition and administrative functions of the Board.

• **SB 130** (sponsored by Senators Doñate, Flores, Steinbeck, and Krasner) provides a process for the Board to issue a restricted license to an applicant that authorizes the individual to perform certain work for which a contractor's license is required, within the scope and monetary limit of the restricted license. This bill is the result of collaborative discussions between NSCB and the bill's sponsors to allow work that exceeds \$1,000 to be performed without having the proper license.

Applicants must demonstrate at least two years of experience in a certain trade; procure and maintain a surety or cash bond of \$2,000 or higher as determined by the Board; complete a business counseling or similar class with a minimum number of hours as determined by the Board and complete within one year, prior to applying for the restricted license; and pass an entry-level exam.

Individuals granted a restricted license may not perform life safety trades or work exceeding \$7,000 including labor and materials. The restricted license is good for two years, at which time it can be renewed or the individual can apply for a non-restricted license meeting all existing requirements. The Board is charged with adopting regulations by January 1, 2027 to set forth the requirements of a restricted license and related examinations, fees and additional conditions deemed necessary.

• SB 327 (sponsored by Senator Cruz-Crawford) relates to contractors and amends NRS 624.270(4) by including that a bond must be provided by a person "who is, at the time of the execution of the bond, listed as a certificate holding company in the United States Department of the Treasury..."

The NSCB currently accepts bonds provided by a person whose long-term debt obligations are rated "A" or better by a nationally recognized agency. This bill seeks to broaden the requirements by whom a bond can be issued by. The Board upholds its interpretation of current law based on historical instances of bond companies defaulting or going under, leaving consumers liable for damages.

• SB 379 (sponsored by Senators Doñate, Cruz-Crawford, Daly, Flores, Steinbeck and Stone) requires a distributed generation system financier to ensure that any solar installation company that installs a distributed generation system that is leased or loaned holds the proper contractor's license and is acting within the monetary limit of that license or the agreement is voidable by the borrower or lessee for a certain period. The NSCB worked collaboratively with the Attorney General's Office, bill sponsors, industry groups, and Legal Aid of Southern Nevada on this bill, which intends to strengthen the requirements of solar installations and protection of consumers engaging in solar contracts.

• **SB 440** (Senate Committee on Commerce and Labor) mirrors the intent of SB 379 but pertains specifically to contractual arrangements for homeowner associations (HOAs).

CALL TO ACTION

The NSCB reminds all contractors of the importance of monitoring the legislative process, as bill language can be amended quickly in ways that may impact your trade or the contractor licensure process. Legislative committee hearings conducted by the Senate and Assembly allow for public comment or the submission of written comments on each legislative item. Connect with your local or state trade association to learn more about how you can engage in making your voice heard.

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The Nevada State Contractors Board is committed to ensuring the integrity and professionalism of the construction industry in Nevada. The NSCB has the responsibility to promote quality construction by Nevada licensed contractors through a regulatory licensing system designed to protect the health, safety and welfare of the public. For more information about the Nevada State Contractors Board, please visit www.nscb.nv.gov.

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