

**PROPOSED REGULATION OF THE  
STATE CONTRACTORS' BOARD**

**LCB FILE NO. R048-25I**

**The following document is the initial draft regulation proposed  
by the agency submitted on 09/05/2025**

# PROPOSED REGULATION OF THE NEVADA STATE CONTRACTORS BOARD

LCB File No. Rxxx-25

August 19, 2025

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: NRS 624.100(1); NRS 624.220

A REGULATION relating to the contractors; revising requirements for solar installation companies that sell and install distributed generation systems.

## Legislative Counsel's Digest:

Existing law provides for the licensure and regulation of contractors by the State Contractors' Board.

## Sec. 1. NAC 624 is hereby amended by adding a new section to read as follows:

### *Proposed Regulation Concerning NRS Chapter 624 – Distributed Generation Systems*

1. *Before or after executing a lease, purchase, or power purchase agreement for a distributed generation system, the solar installation company must conduct an on-site physical survey of the installation site. The company must provide the survey's results to the lessee, purchaser, or host customer.*
2. *If the physical survey (conducted after the agreement is signed) discovers any issue requiring changes to the agreement that would increase the system's price or alter equipment type, the lessee, purchaser, or host customer may, within three business days of receiving the survey results, rescind:*
  - (a) The lease, purchase, or power purchase agreement; and*
  - (b) For purchasers using a distributed generation system loan, the associated loan agreement.*
3. *The rescission right in section 2 does not apply if substituted equipment:*
  - (a) Is of equal or superior quality,*
  - (b) Does not result in additional costs for the customer, and*
  - (c) Does not reduce estimated first-year production by more than 5%.*
4. *A distributed generation system financier must not pay a solar installation company more than the amount specified in NRS 624.875(2)(g) under a loan, lease, or power purchase agreement before:*
  - (a) If grid-connected, the system receives utility approval to connect; or*
  - (b) If not grid-connected, the system passes a final inspection and becomes operational.*
5. *If a financier violates section 4, they are responsible for ensuring the system receives utility approval or passes final inspection and becomes operational.*
6. *Except as provided below, a solar installation company may not accept payment for installation from any party before:*
  - (a) If grid-connected, utility approval to connect; or*
  - (b) If not grid-connected, passing final inspection and operational status.*

7. *Before the above, the company may accept a down payment or deposit up to \$1,000 or 10% of the contract price, whichever is less.*
8. *No solar installation company, lead generator, or financier may:*
  - (a) Include material terms in marketing that are not in the actual agreement;*
  - (b) Engage in deceptive or fraudulent conduct regarding system leases, purchases, or power purchase agreements, including, but not limited to:*
    - (1) False statements about leads or referrals,*
    - (2) Improper use of official or utility logos or branding,*
    - (3) Misrepresenting agency or employment status with the State or utilities,*
    - (4) Misleading claims about incentives, rebates, or tax credits without proper disclosures,*
    - (5) Misrepresenting participation in government incentive programs without written authorization.*
  - (c) Accept compensation for leads/referrals from anyone not licensed under NRS Chapter 624.*
9. *Any marketing communication about incentives, legislation, rebates, or tax credits must clearly advise recipients to consult an independent tax professional.*

#### *Agreements for the Lease of a Distributed Generation System*

10. *Lease agreements must include a cover page, prominently displaying in at least 16-point font:*
  - (a) Rescission rights (3 or 10 business days, as applicable),*
  - (b) Email address for notice of rescission or cancellation,*
  - (c) Notice about required recording,*
  - (d) Statement that no representations or promises outside the agreement apply,*
  - (e) Lease term,*
  - (f) Consequences if the lessee dies during the lease term,*
  - (g) Statement about the potential impact on property sales or transfers and a recommendation to consult professionals.*
11. *The cover must also include in at least 10-point font:*
  - (a) Amounts due at signing and completion/inspection,*
  - (b) Estimated installation timeline,*
  - (c) Estimated first-year monthly payments,*
  - (d) Description of warranties,*
  - (e) Rate of payment increases,*
  - (f) Any state or federal tax incentives included in payment calculations,*
  - (g) Estimated first-year system production,*
  - (h) Renewal or end-of-term options,*
  - (i) Purchase options before lease end,*
  - (j) Notice of Recovery Fund and eligibility information,*
  - (k) Notice about filing complaints with the Public Utilities Commission,*
  - (l) Contact information for the Contractors' Board and Commission,*
  - (m) Notice about requesting documents in other languages,*
  - (n) Disclosure if any payments were made for leads or referrals,*
  - (o) Notice if material terms in marketing match those in the lease.*

*12. Lease agreements must also include (at least 10-point font):*

- (a) Name, address, phone, and license number of the installation company;*
- (b) Name, address, and phone of the lessor and maintenance provider, if different;*
- (c) Estimated installation timeline;*
- (d) Lease term;*
- (e) System description;*
- (f) Amounts due at signing and installation/inspection;*
- (g) Warranty details and copies acknowledged by lessee's initials;*
- (h) Monthly and total payments excluding taxes;*
- (i) Any other one-time or recurring charges and triggers for late fees;*
- (j) Lessor's obligations for installation, repair, removal, construction, or insurance;*
- (k) Taxes due at lease start and estimated ongoing taxes;*
- (l) Identification of tax incentives included in payment calculations;*
- (m) Description of ownership of any tax credits, rebates, incentives, or energy credits;*
- (n) Renewal terms;*
- (o) Early purchase options;*
- (p) Options for continuation, termination, or transfer of the lease (upon property sale/transfer or lessee's death);*
- (q) Restrictions on property modifications or transfers;*
- (r) Right to rescind, minimum 3 days for those under 60, 10 days for those 60 plus;*
- (s) Estimated first-year electricity production;*
- (t) Right to rescind under Section **NRS**;*

- (u) Binding agreement for successors and assigns;*
- (v) No payments other than a down payment/deposit max \$1,000 or 10% of price before utility approval or final inspection;*
- (w) Solar company's duties if the system underperforms in the first year including remediation or notification and further remediation if needed;*
- (x) On a separate page, a detailed explanation of estimated production and offset, including calculation methodology, effects of lessee behavior, and a statement that a power bill will always be issued for grid-connected premises;*
- (y) Signature blocks for lessor and lessee.*

#### *Agreements for the Purchase of a Distributed Generation System*

**13. Purchase agreements must include a cover page, prominently displaying in at least 16-point font:**

- (a) Rescission rights 3 or 10 business days, as applicable,*
- (b) Email for notice of rescission/cancellation,*
- (c) Notice about required recording,*
- (d) Statement that no representations or promises outside the agreement apply,*
- (e) Statement about the impact on property sales or transfers and a recommendation to consult professionals.*

**14. The cover must also include in at least 10-point font:**

- (a) System size;*
- (b) Warranty term;*
- (c) Estimated installation timeline;*
- (d) Warranty description;*
- (e) Total cost;*
- (f) Estimated value of any incentives included in the total cost;*
- (g) Amounts due at signing and completion;*
- (h) Estimated first-year production;*
- (i) Notice of Recovery Fund and eligibility information;*
- (j) Notice about filing complaints with the Public Utilities Commission;*

- (k) Contact information for the Contractors' Board and Commission;*
- (l) Notice about requesting documents in other languages;*
- (m) Disclosure if any payments were made for leads/referrals;*
- (n) Notice if material terms in marketing match those in the agreement.*

**15. Purchase agreements must also include at least 10-point font:**

- (a) Name, address, phone, email, and license number of the installation company;*
- (b) Name, address, phone, and email of purchaser and maintenance provider if different;*
- (c) Description of system design and installation including assumptions, system size, estimated first-year production, and degradation estimate;*
- (d) Total cost;*
- (e) Estimated installation timeline;*
- (f) Payment schedule;*
- (g) Right to rescind minimum 3 or 10 business days, as applicable;*
- (h) Copies of all warranties acknowledged by purchaser's initials;*
- (i) Disclosure about warranty transferability;*
- (j) Identification of incentives included in total cost;*
- (k) Description of any performance guarantee;*
- (l) Signature blocks for purchaser and installation company;*
- (m) Basis for any savings estimates provided;*
- (n) Disclosure about retention of portfolio energy credits;*
- (o) Right to rescind under Section **NRS**;*
- (p) No payments other than down payment/deposit max \$1,000 or 10% of price before utility approval or final inspection, unless already paid to a financier;*

*(q) Cash and financed system price if applicable;*

*(r) Solar company's duties if the system underperforms in the first year remediation or notification and further remediation if needed;*

*(s) On a separate page, a detailed explanation of estimated production and offset, including calculation methodology, effects of purchaser behavior, and a statement that a power bill will always be issued for grid-connected premises.*