

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

LCB File No. R022-21

October 7, 2021

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

AUTHORITY: § 1, NRS 624.100; § 2, NRS 624.300.

A REGULATION relating to contractors; revising information a contractor is required to provide to certain clients; providing for and amending administrative fines; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the State Contractors' Board to make reasonable regulations. (NRS 624.100) Existing regulations require a contractor to provide an informational form to an owner of a single-family residence when the contractor enters into contract with the owner regarding the license the contractor must possess. (NAC 624.6932) **Section 1** of this regulation removes two incorrect addresses from the informational form.

Existing law authorizes the Board to impose administrative fines of not more than \$10,000 for acts which constitute a cause for disciplinary action. (NRS 624.300) **Section 2** of this regulation establishes new administrative fines for when a contractor enters into a contract to perform work without the required license or fails to comply with state law governing contracts for work concerning residential photovoltaic systems used to produce electricity. **Section 2** increases the fine for a contractor failing to adequately advise a customer of his or her rights under state law.

Section 1. NAC 624.6932 is hereby amended to read as follows:

624.6932 The informational form that a general building contractor is required to provide regarding contractors pursuant to paragraph (a) of subsection 3 of NRS 624.600 to the owner of a single-family residence with whom he or she has contracted must be as follows:

Contractors are required by law to be licensed and regulated by the State Contractors' Board. The State Contractors' Board has jurisdiction to investigate complaints that are filed against contractors. Any questions concerning a contractor may be referred to the State Contractors' Board . ~~at~~:

~~—(1) 9670 Gateway Drive~~

~~Suite 100~~

~~Reno, Nevada 89521~~

~~(775) 688-1141; or~~

~~—(2) 2310 Corporate Circle~~

~~Suite 200~~

~~Henderson, Nevada 89074~~

~~(702) 486-1100.]~~

The law of this State requires that a person or entity who enters into a contract to perform construction work be properly licensed by the State Contractors' Board for the category of work that the person or entity intends to perform. Laws regulating licensed contractors are designed to protect the public. If you contract with a person or entity who is not licensed to perform construction work, your remedies against that person or entity may be limited to a suit in civil court. You may be liable for damages arising out of any injuries to an unlicensed contractor or that contractor's employees, as well as withholding taxes, contributions pursuant to the Federal Insurance Contributions Act and

contributions for industrial insurance and unemployment compensation. In addition, you must comply with other applicable state and federal laws regarding employment. Finally, you should be aware that construction performed on your property must comply with all applicable laws, ordinances, building codes and regulations.

A contractor is required to include the contractor’s license number on all of his or her advertising, vehicles, bids and contracts. You may contact the State Contractors’ Board to find out if a contractor has a valid license and, if so, the status of that license and the status of any disciplinary action by visiting the website of the Board at <http://www.nvcontractorsboard.com> or calling the Board at one of the telephone numbers listed above.

Sec. 2. NAC 624.7251 is hereby amended to read as follows:

624.7251 1. If the Board or its designee issues an order imposing an administrative fine pursuant to the provisions of this chapter and chapter 624 of NRS, each such fine assessed by the Board or its designee must:

- (a) Specify the violation for which the person is being cited; and
- (b) Subject to the provisions of subsections 2, 3 and 4, be in an amount which is not less than the minimum amount or more than the maximum amount as follows for the violation:

Violation	Minimum Fine	Maximum Fine
NRS 624.301	\$1,000	\$10,000

Violation	Minimum Fine	Maximum Fine
Paragraph (a) of subsection 1 or subparagraph (4) of paragraph (b) of subsection 1 of NRS 624.3011.....	500	10,000
Subparagraph (1), (2) or (3) of paragraph (b) of subsection 1 of NRS 624.3011.....	1,000	10,000
Subsection 1, 2 or 3 of NRS 624.3012.....	1,000	10,000
Subsection 4 of NRS 624.3012.....	500	10,000
Subsection 1 or 4 of NRS 624.3013.....	250	10,000
Subsection 2 of NRS 624.3013.....	1,000	10,000
Subsection 3 of NRS 624.3013.....	500	10,000
Subsection 5 of NRS 624.3013.....	50	10,000
NRS 624.3014.....	100	50,000
Subsection 1 or 6 of NRS 624.3015.....	250	10,000
Subsection 2, 3 or 4 of NRS 624.3015.....	1,000	50,000
Subsection 5 of NRS 624.3015.....	500	10,000
<i>Subsection 7 of NRS 624.3015.....</i>	<i>1,000</i>	<i>10,000</i>
Subsection 1, 2, 4, 6, 7 or 8 of NRS 624.3016.....	250	10,000
Subsection 3, 5, 10, 11 10 , 12 <i>or 13</i> of NRS 624.3016.....	500	10,000
Subsection 9 of NRS 624.3016.....	100	10,000
NRS 624.30165.....	250	10,000

Violation	Minimum Fine	Maximum Fine
Subsection 1 of NRS 624.3017	500	10,000
Subsection 2 of NRS 624.3017	50	10,000
Subsection 3 of NRS 624.3017	100	10,000
Subsection 1 of NRS 624.302	1,000	50,000
Subsection 5 or 6 of NRS 624.302	250	10,000
Subsection 7 of NRS 624.302	1,000	10,000
Subsection 1 of NRS 624.305	1,000	50,000
NRS 624.520	100 250	250 500
Subsection 1 of NRS 624.700	1,000	50,000
Subsection 1, 3 or 4 of NRS 624.720	1,000	50,000
NRS 624.740	1,000	50,000

2. In determining the amount of an administrative fine to be imposed pursuant to subsection 1, the Board or its designee will consider the factors set forth in paragraphs (a), (b) and (c) of subsection 4 of NRS 624.300 and paragraphs (a), (b) and (c) of subsection 2 of NRS 624.710, as applicable.

3. Unless otherwise prohibited by law and except as otherwise provided by subsection 6, the Board or its designee may reduce or stay a fine assessed pursuant to subsection 1 or any other penalty imposed pursuant to this chapter or chapter 624 of NRS pending completion of a training program, examination or any other means of remediation or retraining required by the Board or

its designee which is based upon the circumstances for which the fine was assessed or the penalty imposed.

4. The Board or its designee will assess the maximum fine listed in subsection 1 only if one or more of the following circumstances apply:

- (a) The cited person has a history of violating the same or similar sections of NRS, NAC or any relevant administrative order;
- (b) The administrative citation specifies more than one violation;
- (c) The cited person has unreasonably ignored written warnings;
- (d) The violation or violations have caused harm to other persons;
- (e) The violation or violations were perpetrated against a person 60 years of age or older or a person with a diagnosed physical or mental disability; or
- (f) The violation or violations involved a construction project costing more than \$500,000.

5. The Board or its designee will assess the maximum fine listed in subsection 1 if the cited person has previously violated the same or similar sections of NRS, NAC or any relevant administrative order at least twice in the immediately preceding 5 years.

6. If the Board or its designee intends to exercise the discretion authorized in subsection 3:

(a) The Board or its designee may state the reasons for the exercise of discretion orally at the hearing on the matter and must state such reasons in writing in a written order or decision on the matter; and

(b) The reasons for the exercise of discretion must be derived from the presentation of the case and the findings or determinations of the Board or its designee based on the presentation of the case.