

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

LCB File No. R046-05

Effective September 7, 2005

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

AUTHORITY: §§1-5, NRS 40.6887.

A REGULATION relating to constructional defects; revising the provisions governing the submittal of a request to the State Contractors' Board concerning any matter which may affect or relate to a constructional defect; authorizing the Executive Officer of the Board to designate staff of the Board or an independent licensed professional to conduct an investigation into a request; and providing other matters properly relating thereto.

Section 1. Chapter 624 of NAC is hereby amended by adding thereto a new section to read as follows:

“Requester” means a claimant or any contractor, subcontractor, supplier or design professional who submits a request to the Board.

Sec. 2. NAC 624.792 is hereby amended to read as follows:

624.792 For the purposes of subsection 3 of NRS 40.6887, the Board will deem a request to have been submitted to the Board when:

1. The request ~~[and consent in writing to the submission of the request by the claimant and any contractor, subcontractor, supplier and design professional to the residence or appurtenance have]~~ *has* been received by the Board;

2. All the materials and documentation required by the Board pursuant to NAC 624.793 have been provided to the Board; and

3. If the Board determines pursuant to the provisions of NAC 624.794 that an investigation into the request is required, the Board has completed the investigation.

Sec. 3. NAC 624.793 is hereby amended to read as follows:

624.793 1. A ~~[petitioner]~~ *requester* shall submit ~~[a request]~~ to the Board :

(a) *A request* on a form prescribed by the Board ~~[. The request must include, without limitation:~~

~~—(a) A consent in writing by the claimant granting access to the Board to the residence or appurtenance; and~~

~~—(b) A consent in writing to the submission of the request by the claimant and any contractor, subcontractor, supplier and design professional to the residence or appurtenance.~~

~~—2. If a petitioner submits a request to the Board without the consents required pursuant to the provisions of subsection 1, the Board will notify the petitioner that the Board is unable to provide a response to or render a decision on the request.~~

~~—3. In addition to the submission of the request pursuant to the provisions of subsection 1, the petitioner must submit to the Board, at the time of the submission of the request, copies] ; and~~

(b) *Copies* of all documentation or materials related to the residence or appurtenance that is the subject of the request ~~[.~~

~~4.] , if available.~~

2. If the Board determines that additional documentation or information related to the request is required to provide a response to or render a decision on the request, the Board will notify the ~~[petitioner and any other party to the request]~~ *requester* of the additional documentation or information required by the Board.

~~[5.]~~ 3. If the Board notifies a ~~[petitioner or other party to the request]~~ *requester* pursuant to subsection ~~[4]~~ 2 of additional documentation or information required by the Board, the ~~[petitioner or other party to the request]~~ *requester* shall submit the documentation or information requested to the Board.

Sec. 4. NAC 624.794 is hereby amended to read as follows:

624.794 1. Upon the submission of a request pursuant to the provisions of NAC 624.793, the Executive Officer of the Board will review the request to determine if an investigation is required to provide a response to or render a decision on the request.

2. If the Executive Officer of the Board determines that an investigation is required to provide a response to or render a decision on the request, the *Executive Officer will designate* staff of the Board ~~[will]~~ *or an independent licensed professional to* conduct an investigation into the request.

3. A written report of the results of any investigation into the request conducted pursuant to the provisions of this section must be submitted to the Executive Officer of the Board.

4. The Board will review the written report submitted to the Executive Officer of the Board before providing a response to or rendering a decision on the request.

Sec. 5. NAC 624.787 is hereby repealed.

TEXT OF REPEALED SECTION

624.787 “Petitioner” defined. (NRS 40.6887) “Petitioner” means a claimant or any contractor, subcontractor, supplier or design professional who submits a request to the Board.

**NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R046-05**

The State Contractors' Board adopted regulations assigned LCB File No. R046-05 which pertain to chapter 624 of the Nevada Administrative Code on July 14, 2005.

Notice date: 5/25/2005
Hearing date: 7/11/2005

Date of adoption by agency: 7/14/2005
Filing date: 9/7/2005

INFORMATIONAL STATEMENT

1. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

The workshop and hearing notice to amend NAC 624 concerning the revisions to provisions governing the submittal of a request to the Contractors Board concerning constructional defect questions was posted on May 25, 2005 for a July 11, 2005 hearing date at the following locations: Washoe County Court House; Washoe County Library; Reno City Hall; Las Vegas City Hall; Sawyer State Building; Clark County Library and Offices of the Contractors' Board in Reno and Las Vegas. In addition, the notice was posted on the agency's web site and mailed to approximately 135 interested individuals. A corrected notice was sent June 21, 2005 that corrected the comment due date.

2. The number of persons who:

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| (a) Attended each workshop: | 4 |
| (b) Testified at each workshop: | 1 |
| (c) Testified at each hearing: | 0 |
| (c) Submitted to the agency written comments: | 0 |

3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses by the notice posting, web site and direct mail.

4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

There were no comments received at the workshop or hearing in opposition to the proposed revisions.

5. The estimated economic effect of the adopted regulation on the business which it is to regulate and on the public. These must be stated separately, and each case must include:

- (a) Both adverse and beneficial effects; and**
- (b) Both immediate and long-term effects**

- (a) The economic impact will depend upon the number of questions or disputes submitted to the agency and the complexity of same. Since the costs associated with the response or decision to a question or dispute are assessed to the contractor, an adverse impact could be felt by the contractor involved. On the other hand, use of the process could alleviate the need for costly litigation.
- (b) The immediate effect provides an avenue for constructional defect questions or disputes to be addressed through an informal process. Long term effects will depend upon the number and complexity of matters that come before the Board.

6. The estimated cost to the agency for enforcement of the adopted regulation.

The cost to the agency for enforcement of the proposed regulation will depend upon the number and complexity of questions and disputes submitted.

7. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There are no other state or government agency regulations which the proposed amendments duplicate.