

**The Nevada State Contractors Board:
What It Does to Help Nevadans**

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The Nevada State Contractors Board was established in 1941 and given a mandate by the State Legislature to license and regulate contractors to promote public confidence and trust in the competence and integrity of licensees and to protect the health, safety and welfare of the public.

The Board consists of seven members appointed by the Governor. Six are licensed contractors, and one member is a representative of the public. All Board members are initially appointed for a three-year term, which is renewed at the discretion of the Governor.

The Board is the second largest board in the State of Nevada. It employs 74 full-time employees. **All contractors in the State of Nevada are required to be licensed. Unlicensed contractors are criminally prosecuted through the local Justice Court systems. Failure to obtain a contractors license is a misdemeanor for the first offense, a gross misdemeanor for the second offense and a Class E felony for the third offense.**

Prior to a contractor being licensed, he or she is required to provide work references, a financial statement to establish financial responsibility, post a surety bond, pass a specific trade examination and pass a Construction Management examination. Additionally, pool contractors may be required to post a consumer-protection bond for the protection of homeowners. This establishes that the contractor has the basic skills necessary to perform the trade. All contractors are evaluated and their license approved for a specific area of expertise. This limits the type of work a contractor can perform and provides assurances to the public that the contractor has passed appropriate trade examinations. Homeowners can be assured a licensed contractor has the basic skills to complete the project in a professional and competent manner and has established his financial responsibility in today's ever-changing business environment.

Homeowners who are experiencing problems with their contractor can contact the Board, and an investigator will be assigned to evaluate the problem and direct the contractor to fix the problem or face disciplinary action by the Board.

When conducting disciplinary actions against a contractor, the Board may order the contractor to repair the work, hire another contractor to fix the work, pay the homeowner a specified sum to correct the condition, issue a public reprimand, suspend or revoke the license or place the contractor on probation. The contractor may also be assessed fines up to \$50,000 and ordered to pay the cost of the investigation. The ultimate penalty is to revoke the license, which stops the contractor from conducting any work in the State of Nevada. California and Arizona also honor a Nevada decision to revoke a licensee and may take similar action in their states.

The Board provides various consumer protection handout materials and maintains a website www.nscb.state.nv.us for citizens as a quick reference to a contractor's license and a brief history of any prior disciplinary actions against that contractor.

The Board also administers the Residential Recovery Fund, which was established in 1999 by the State Legislature and became effective in 2001. It provides financial assistance to homeowners who have been damaged by properly licensed contractors.

All licensed contractors who engage in residential construction pay an annual fee into the fund. Homeowners may file claims up to \$35,000 for damages.

Many homeowners are not aware that by using an unlicensed contractor, they are not eligible for recovery from the Residential Recovery Fund. They expose themselves to civil liability, if the contractor or employee is injured on their property. They have no recourse, except to file civil claims against the unlicensed contractor which are often uncollectible, if the work is sub-standard.

By law a contract with an unlicensed contractor is *void and unenforceable*. The homeowner may receive poor workmanship, expanded civil liability and no real recourse. The Board has implemented an aggressive public education program for homeowners to advise them of their rights and assist in the identification of unlicensed contractors.

The Board is here for Nevada citizens and legally licensed contractors throughout the state. It aggressively works toward the goal of ensuring quality construction by properly licensed contractors.

The Nevada State Contractors Board can be reached at: (702) 486-1100 in Southern Nevada, or (775) 688-1141 in Northern Nevada. Information is also available on its website at: www.nscb.state.nv.us