

STATE CONTRACTORS BOARD **AGENCY COLLABORATION &** **CONTRACTOR COMPLIANCE**

**A PRESENTATION FOR THE WORKERS' COMPENSATION SECTION
EDUCATIONAL CONFERENCE**

DISCLAIMER

The views and opinions expressed in the written materials and in any of the presentations at this conference are those of the presenter and do not necessarily reflect the official policy or position of the Department of Business and Industry, Division of Industrial Relations. The Division does not warranty the materials' completeness or accuracy.



STATE CONTRACTORS BOARD

Who we are; what we do

- **Public protection agency**
- **License & regulate contractors**
- **Investigate consumer/contractor complaints**
- **Raise public awareness**

* For informational purposes only. This information is not all-inclusive of the content contained within NRS 624. Please reference the specific statute for a full description.



NEVADA LAW GOVERNING CONTRACTORS (NRS & NAC 624)

EXEMPTIONS* – NRS 624.031

Any work to repair or maintain property, the value of which is less than \$1,000, including labor and materials, unless:

- A building permit is required;
- Type of work is plumbing, electrical, refrigeration, heating or air-conditioning;
- The work is of a type performed by a licensed contractor in a classification prescribed by the Board that significantly affects the health, safety, and welfare of the general public
- The work is performed as a part of a larger project:
 - (1) The value for which is \$500 or more; or
 - (2) For which contracts of less than \$500 have been awarded to evade the provisions of this chapter
- The work is performed by a person who is licensed by this chapter or by an employee of that person.

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THE VALUE OF A LICENSE

- **Must pass trade and law exams**
- **Must demonstrate financial responsibility**
- **Must prove years of experience in licensed construction field**
- **Fingerprints submitted to Board for criminal background checks**
- **Held responsible to all applicable state laws (construction, building, employment, etc.)**



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COMPLIANCE WITH INDUSTRIAL INSURANCE REQUIREMENTS



- **NRS 624.256** requires proof of industrial insurance as condition of licensure.
- DIR & DETR are required to notify the NSCB of lapses in industrial insurance or failure to pay contributions to the Unemployment Compensation Fund.

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ADDRESSING VIOLATIONS OF INDUSTRIAL INSURANCE LAWS

Within 3 days of receiving notification from DETR, the NSCB must provide written notice that a contractor's license will be suspended if the workers' compensation violations are not remedied with DETR within 30 days.

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FAILURE TO COMPLY

1st Offense

- **Summarily suspend license** pursuant to NRS 624.291, until proof of compliance is furnished to the NSCB.
- **Require contractor to submit to the NSCB a list of all projects** for which the contractor has unfulfilled contractual obligations where the contract was entered into on or before the date of the notice sent by the Board.
- Failure to provide a complete list of projects will result in an additional 12 month suspension following receipt of the complete list for a 1st offense, or revocation of the license at a hearing for a 2nd or subsequent offense.

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FAILURE TO COMPLY

1st Offense (continued)

- **Contractor shall not submit any bids for new work or begin work** on any project not described in the list submitted to the NSCB.
- **NSCB must notify the Labor Commissioner and State Public Works Board** to add contractor's name to list of contractors disqualified from bidding or being prequalified to bid public works projects.
 - The names are removed when the respective agencies receive notification from the NSCB that the suspension has been lifted.

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FAILURE TO COMPLY

2nd or Subsequent Offense

- If a contractor fails to maintain its industrial insurance or pay in to the Unemployment Compensation Fund within 5 years after the date of reinstatement from the first offense, the Board shall provide 30 days written notice to the contractor that a hearing will be held for the second offense.
- If the hearing officer determines a second/subsequent violation has been committed within the 5 year period, the license shall be revoked.

LABOR BROKERS & WORKERS' COMPENSATION ISSUES

ADDITIONAL NSCB COLLABORATIVE PARTNERS

- **OSHA** – Safety Violations
- **Local Building Departments** – Permit Violations
- **Public Utilities Commission** – Solar Complaints
- **Manufactured Housing Division (new)** – Validated workmanship complaints
- **District Attorneys Offices** – Unlicensed/Criminal Cases

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UNLICENSED? WHAT'S THE BIG DEAL?

- Most likely does not carry workers' compensation insurance – homeowner becomes liable for on-the-job injuries.
- Loss of recourse protections; ineligible for Recovery Fund; most likely have to seek restitution through civil litigation.
- No proof the individual is qualified to perform work in the trade or is aware of the laws and codes governing the industry.
- NSCB has not been able to verify requirements for licensure, including performing a criminal background check.

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PROTECTIONS WHEN HIRING A LICENSED CONTRACTOR

- Eligibility to file a complaint with the Board up to **4 years** from the date the work was performed
- Have your concerns investigated by the Board – valid workmanship issues may result in a Notice to Correct to your contractor
- Owners of single-family residences may be eligible for the Board's Residential Recovery Fund.

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FINDING A LICENSED NEVADA CONTRACTOR

- 1. Obtain referrals & ask questions!**
- 2. Verify each contractors' license**
- 3. Get at least three bids**

VERIFYING A CONTRACTOR'S LICENSE

- **License Search**
 - **License #**
 - **Company Name**
 - **Principal or Qualified Individual**



LICENSE SEARCH RESULTS



Measure up...use licensed contractors.

License Search Results

Search Criteria

License Number: 0012345

NEW!



Principal Name	Legal Business Name	DBA Name	License Number	NV Business ID	Primary Classification	Status	City	State
	XYZ INC.	123 INC.	12345A	NV 12345678901	C-2 Electrical	Active	LAS VEGAS	NV

VERIFYING THE LICENSE – DRILLING DOWN

License Number: 0012345

Current Date: 11/29/2017 9:38:08 AM
(mm/dd/yyyy)

Business Primary Name:

XYZ INC.

DBA Name:

★ 123 INC.

Business Address:

123 Address Lane

Phone Number:

(702) 555-5555

Status:

Active

Status Date:

11/07/2016 (mm/dd/yyyy)

Origin Date:

12/22/1977 (mm/dd/yyyy)

Expiration Date:

12/31/2018 (mm/dd/yyyy)

Business Type:

Corporation

Classification(s):

C-2 Electrical

Limitation:

License Monetary Limit: Unlimited

STATUSES TO LOOK FOR:

✓ **ACTIVE**

• **ON PROBATION**

! **VOLUNTARILY SURRENDERED**

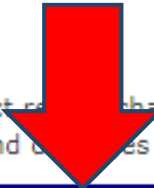
! **INACTIVE**

! **SUSPENDED**

! **REVOKED**

VERIFYING THE LICENSE – DRILLING DOWN

Principal Name		Relation Description	
Doe, John		President	
Qualified Individual(s)		Qualifier Type	
Doe, Jane		CMS and Trade	
Bond			
Bond Type:	Surety		
Bond Number:	123456		
Bond Agent:	Joe Smith		
Surety Company:	Give You Bonds Insurance Company		
Bond Amount:	\$20,000.00		
Effective Date:	07/01/2007 (mm/dd/yyyy)		
<p>The information contained on these pages are provided as a courtesy and may not reflect recent changes or updates. Neither the completeness nor accuracy is guaranteed. The Contractors Board shall have no liability or responsibility for loss and damages arising from the information provided or retrieved from these pages.</p>			
Return to Search Results		Disciplinary Action Older Than 5 Years	Disciplinary Action 5 Years and Newer
New Contractor License Search		New Contractor Listing Search	New Disciplinary Actions Search



VERIFYING THE LICENSE – DRILLING DOWN

Disciplinary Action During Last 5 Years

Date:	10/14/2015 (mm/dd/yyyy)
Discipline Type:	Administrative Citation
Citation Number:	2918
Number of Complaints:	Complaint(s) associated with this action: 1
Violation(s):	NRS 624.3015(1) Acting beyond the scope of the license
Actions:	Administrative Fine Assessed Investigative Cost
Date:	3/22/2016 (mm/dd/yyyy)
Discipline Type:	Administrative Citation
Citation Number:	3026
Number of Complaints:	Complaint(s) associated with this action: 1
Violation(s):	NRS 624.3014(2)(a) Aiding or abetting an unlicensed person to evade the provisions of this chapter
Actions:	Administrative Fine Assessed Investigative Cost
Date:	10/18/2017 (mm/dd/yyyy)
Discipline Type:	Pending - Disciplinary action is pending against the license in the form of a(n) Disciplinary Hearing
Number of Complaints:	Complaint(s) associated with this action: 1 NOTICE - The pending action alleges the following violations. Upon final adjudication, some violations or cases may be found to be without merit.
Violation(s):	NRS 624.3013(3) Failure to establish financial responsibility NRS 624.3013(5) pursuant to NAC 624.640(3) Notification of change in address

EVALUATING THE FACTS

- Frequency/Repetition of Violations
- Egregiousness of Violations
 - *Citation v. Hearing*
 - Acting beyond scope of license
 - Failure to comply with building or industrial relations laws (permits/worker's comp ins.)
 - Failure to establish financial responsibility
 - Aiding & abetting
 - Abandonment
 - License loan



RED FLAGS



- Demands for cash payments only
- Large down payments before work is performed
- Writing checks to an individual instead of a business
- No work or communication for 30+ days

CONSUMER RESOURCES



Ready, Set, Hire!
What You Should Know
Before Hiring a Contractor



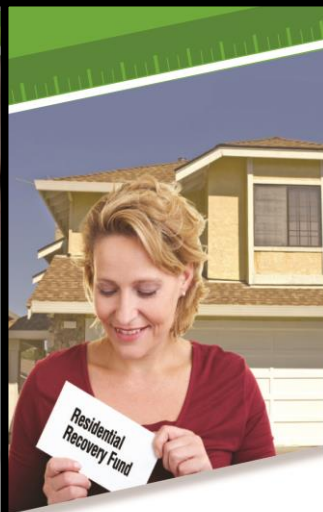
Measure up...use licensed contractors.



**How To File A
Complaint**



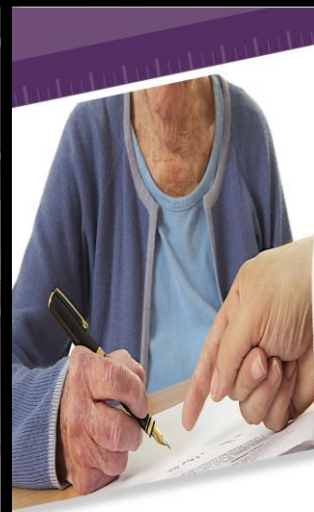
Measure up...use licensed contractors.



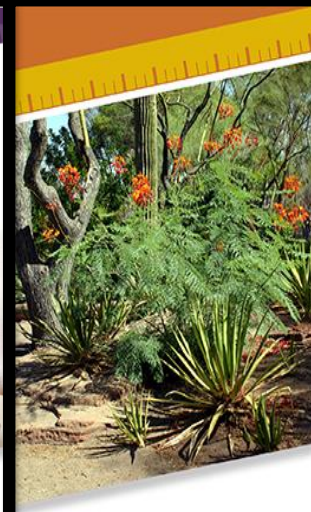
**Residential
Recovery Fund**



Measure up...use licensed contractors.



**A Senior's Guide
to Identifying Scams &
Seeking Assistance**



**Choosing the
Right Landscaper**
A Consumer's Guide to
Hiring a Landscaper



Taking the Plunge:
Contracting for a
Pool or Spa



Measure up...use licensed contractors.



Residential Solar

A homeowner's guide to
solar purchase options,
contract terms, and other
considerations



Measure up...use licensed contractors.

You Tube

NSCB CONTACT INFORMATION

HENDERSON OFFICE – 2310 CORPORATE CIRCLE #200, 89074

LICENSING, ENFORCEMENT, PUBLIC INFORMATION QUESTIONS

702-486-1100

www.nscb.nv.gov

REPORT UNLICENSED ACTIVITY

UNLICENSED CONTRACTOR HOTLINE

(702) 486-1160

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DON'T FORGET . . .

**Please fill out the Evaluation Online:
<http://dir.nv.gov/WCS/Training/>**

- **Session 6B- How State Agency Collaborations Support Public Safety**

For complimentary Wi-Fi select the Tuscany Conventions