



# Nevada State Contractors Board

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## *General Requirements*

1. Who can become a licensed contractor?

To qualify to become a licensed contractor you must have the experience and skills necessary to manage the daily activities of a construction business, including field supervision. Or, you must be represented by someone else with the necessary experience and skills, who serves as your qualifying individual.

The contractor or other person who will act as the qualifying individual must have had, within the ten years immediately before the filing of the application, at least four full years of experience at a journeyman level, or as a foreman, supervisor, or contractor in the classification for which you are applying.

2. Who must be licensed as a contractor?

All businesses or individuals who construct or alter any building, highway, road, parking facility, railroad, excavation, or other structure in Nevada must be licensed by the Nevada State Contractors Board. Contractors, including subcontractors and specialty contractors must be licensed before submitting bids. Licenses may be issued to individuals, general partnerships, limited partnerships, corporations, limited liability companies or joint ventures.

3. Is anyone exempt from the requirement to be licensed?

Yes. The exemptions are as follows:

1. Work performed exclusively by an authorized representative of the United States Government, the State of Nevada, or an incorporated city, county, irrigation district, reclamation district, or other municipal or political corporation or subdivision of this State.
2. An officer of a court when acting within the scope of his or her office.
3. Work performed exclusively by a public utility operating pursuant to the regulations of the Public Utilities Commission of Nevada on construction, maintenance and development work incidental to its business.
4. An owner of property who is building or improving a residential structure on the property for his or her own occupancy and not intended for sale or lease. The sale or lease, or the offering for sale or lease, of the newly built structure within 1 year after its completion creates a rebuttable presumption for the purposes of this section that the building of the structure was performed with the intent to sell or lease that structure. An owner of property who requests an exemption pursuant to this subsection must apply to the Board for the exemption. The Board shall adopt regulations setting forth the requirements for granting the exemption.
5. Any work to repair or maintain property the value of which is less than \$1,000, including labor and materials, unless:
  - (a) A building permit is required to perform the work;
  - (b) The work is of a type performed by a plumbing, electrical, refrigeration, heating or air-conditioning contractor;
  - (c) The work is of a type performed by a contractor licensed in a classification prescribed by the Board that significantly affects the health, safety and welfare of members of the general public;
  - (d) The work is performed as a part of a larger project:
    - (1) The value of which is \$500 or more; or
    - (2) For which contracts of less than \$500 have been awarded to evade the provisions of this chapter; or
  - (e) The work is performed by a person who is licensed pursuant to this chapter or by an employee of that person.
6. The sale or installation of any finished product, material or article of merchandise which is not fabricated into and does not become a permanent fixed part of the structure.
7. The construction, alteration, improvement or repair of personal property.
8. The construction, alteration, improvement or repair financed in whole or in part by the Federal Government and conducted within the limits and boundaries of a site or reservation, the title of which rests in the Federal Government.
9. An owner of property, the primary use of which is as an agricultural or farming enterprise, building or improving a structure on the property for his or her use or occupancy and not intended for sale or lease.

10. Construction oversight services provided to a long-term recovery group by a qualified person within a particular geographic area that is described in a proclamation of a state of emergency or declaration of disaster by the State or Federal Government, including, without limitation, pursuant to [NRS 414.070](#). A long-term recovery group may reimburse such reasonable expenses as the qualified person incurs in providing construction oversight services to that group. Except as otherwise provided in this subsection, nothing in this subsection authorizes a person who is not a licensed contractor to perform the acts described in paragraphs (a) and (b) of subsection 1 of [NRS 624.700](#). As used in this subsection:

(a) "Construction oversight services" means the coordination and oversight of labor by volunteers.

(b) "Long-term recovery group" means a formal group of volunteers coordinating response and recovery efforts related to a state of emergency or disaster that is proclaimed or declared by the State or Federal Government.

(c) "Qualified person" means a person who possesses the abilities, education, experience, knowledge, skills and training that a long-term recovery group has identified as being necessary to provide construction oversight services for a project to be performed by that group.

4. Do I have to reside in Nevada to get and keep a contractor's license?

No.

5. Does Nevada recognize contractors' licenses issued by other states or countries?

Under certain circumstances the Nevada State Contractors Board will waive the trade examination requirement and the experience certification requirement for applicants that qualify for licensure by endorsement. These waivers are granted for applicants who are licensed in states determined by Nevada to have substantially equivalent requirements.

In order to apply for licensure by endorsement, you will need to have been actively licensed in the endorsing state for the past four (4) years and not have had any disciplinary actions, suspension or sanctions against your license. Proof of compliance with the requirements must be submitted with the application.

If your endorsing state does not offer an equivalent trade examination, you will be required to pass the state specific examination in Nevada.

Applicants must still qualify by taking and passing the Business and Law Examination.

6. What happens if I contract without a license?

Unlicensed contracting is a crime in Nevada. The first offense is a misdemeanor and subject to a fine of not more than \$1,000, and may be further punished by imprisonment in the county jail for not more than 6 months.

The second offense is a gross misdemeanor and subject to a fine of not less than \$2,000 nor more than \$4,000, and may be further punished by imprisonment in the county jail for not more than 1 year.

The third or subsequent offense is a category E felony and subject to a fine of not less than \$5,000 not more than \$10,000 and may be further punished by imprisonment in the state prison for not less than 1 year and not more than 4 years.

## Experience Requirements

7. What kind of experience is required for a contractor's license?

You must have at least four years of experience to qualify. Credit for experience is given only for experience at a journeyman level or as a foreman, supervising employee or contractor. These are defined as follows:

- A journeyman is a person who has completed an apprenticeship program or is an experienced worker, not a trainee, and is fully qualified and able to perform the trade without supervision.
- A foreman or supervisor is a person who has the knowledge and skill of a journeyman and directly supervises physical construction.
- A contractor is a person who manages the daily activities of a construction business, including field supervision.

You are required to submit with the application, a minimum of four (4) notarized Reference Certificates (certificates) for each trade qualifier. The references must be completed by a person whom has first hand knowledge of your experience- that is, he or she must have observed the work you have done. Employers, other than the applying company, a supervisor, other journeyman, contractor, union representative, building inspector, architect or engineer should complete the certificates. If you are a self-employed contractor, customers for whom the work was performed can complete the references. Relatives cannot complete the certificates, unless that relative was your employer. References that are not complete or not specific regarding the actual work performed will not be accepted. Any reference determined to be false or misleading may be considered misrepresentation of a material fact, in violation of NRS 624.3013(2).

In addition to the references, a detailed resume' of your experience must also be provided. Include name, current address, phone number and dates of employment for each employer. Describe in detail the work performed. Specify type(s) of construction projects, trades(s), craft(s), tasks and duties performed. If self-employment is being relied upon to establish any portion of the experience requirement, include on the Resume of Experience form customers for whom you worked, including their complete mailing address and phone number.

8. Are there education requirements for a license and may I substitute any education, technical training, or apprenticeship training for the required experience?

No. You do not have to meet any education requirements in order to qualify for a contractor's license.

Training received in a program offered at an accredited college or university or an equivalent program accepted by the Board may be used to satisfy not more than 3 years of experience. You must provide written documentation of any training or education claimed in place of experience. Acceptable documentation includes copies of apprenticeship certificates and college transcripts.

*(Please NOTE: The Nevada State Contractors Board is not affiliated with any of the license contractor examination schools and cannot make referrals or recommendations regarding them.)*

## License Classifications

9. What are the contractor license classifications?

The Nevada State Contractors Board issues licenses to contractors in particular trades or fields of the construction profession. Each separate trade is recognized as a "classification."

The Nevada State Contractors Board issues licenses for the following classifications:

- **Class "A"—General Engineering Contractor.** The principal business is in connection with fixed works requiring specialized engineering knowledge and skill.
- **Class "B"—General Building Contractor.** The principal business is in connection with the construction or remodeling of buildings or structures for the support, shelter and enclosure of persons, animals, chattels or movable property of any kind, requiring in their construction the use of more than two unrelated building trades or crafts, upon which he or she is a prime contractor and where the construction or remodeling of a building is the primary purpose.
- **Class "C"—Specialty Contractor.** There are 36 separate primary "C" license classifications for contractors whose construction work requires special skill and whose principal contracting business involves the use of specialized building trades or crafts. Manufacturers are considered to be contractors if engaged in on-site construction, alteration, or repair.

10. In what trades may I obtain a class "C" Specialty Contractor's License?

You may obtain a license in any of the specialty classifications you are qualified for. A separate license is required for each primary classification. Multiple sub classifications within the same primary classification can be combined under one license.

A description of each classification can be found on the Nevada State Contractors Board Web site, or consult the Nevada State Contractors Board Handbook.

11. Are there any special requirements for swimming pool contractors?

Yes. If you are applying for a license to engage in the repair, restoration, improvement or construction of residential pools or spas, please read the Pool and Spa Regulations found on our website.

## Applying for a License

12. How do I apply for a contractor's license?

You must complete the following steps:

- Obtain an *Application for a Contractor's License* from any office of the Nevada State Contractors Board or via the Nevada State Contractors Board Web site at [www.nscb.nv.gov](http://www.nscb.nv.gov);
- Take the time to read and follow carefully the instructions included in the application. **All** reference certificates, detailed resume of experience, financial statement and background disclosures must be submitted **with the application**;
- Complete the application and all accompanying forms in ink or with a typewriter. The form available on our website may be completed on-line and then printed. Make sure you sign and date the application; and

• Proofread your application for any omissions. If the Board has to return the application to you or needs to request missing information, your license will be delayed.

• Submit the application, the application processing fee (\$300), and all required documents to either office the Nevada State Contractors Board:

Southern Nevada  
2310 Corporate Circle, Suite 200  
Henderson NV 89074

Northern Nevada  
5390 Kietzke Lane, Suite 102  
Reno NV 89511

Do not submit a bond or the initial license fee with your application. Upon successful completion of your examination and/or approval of your application, you will be instructed to submit the required documents and initial license fee. **You must submit ALL required documents together to avoid delays—your license will not be issued until all requirements have been met.**

After approval of your application, you will be required to:

- Submit an biennial license fee of \$600.00 for each application; and
- Submit the required license bond in the amount indicated on your approval letter; and
- Submit proof of compliance with Industrial Insurance (Workers' Compensation Insurance) or an exemption affidavit if you are not required to obtain it. *note : If the license is qualified by an Employee, the qualifier is an employee and Workers' Compensation Insurance is required; and*
- Prior to issuance of a license, each applicant must either register with the Residential Recovery Fund and pay the assessed Residential Recovery Fund Fee or complete a certificate of exemption.

Exemption affidavits will be provided to you with your approval letter.

13. Will the Nevada State Contractors Board acknowledge receipt of my application?

The Nevada State Contractors Board will send you a letter requesting any information that may be needed to complete the processing of your application and/or an Examination Eligibility Letter if an exam is required. The Examination Eligibility Letter contains the Qualifier's Candidate ID Number, which is required for him or her to schedule the exam(s).

14. How long does it take to complete the license application process?

Because there are many factors that affect the time it takes to process an application, processing times continually change. Your assigned License Analyst can provide more information regarding the processing time.

15. How will I know if my application is approved?

A Contingent Approval of Application letter will be sent after approval of your application. The license will not be issued until all licensing requirements have been met as indicated in the approval letter.

16. What happens if my application is not approved?

If your application is accepted and it is incomplete, you must make the corrections within 30 days from the date of your deficiency notice. If you do not, the application may be withdrawn.

If your application is denied, you have 60 days to request a hearing before the Board. A hearing will be held within 90 days from receipt of your request.

17. If my application is not approved, can you refund my application fee?

No. The fee is for processing the application, whether or not the application is approved. Since each application is filed for processing as soon as it arrives at the Nevada State Contractors Board, the fee cannot be refunded.

## Licensing Examinations

18. Is there an examination requirement for a contractor's license?

The qualifying individual for a contractor's license is required to pass the written Business and Law (Construction Management Survey exam) and trade examinations unless he or she meets the requirements for a waiver. The Nevada State Contractors Board has contracted with PSI Licensure (PSI) to administer the exams.

19. Under what circumstances is a waiver of an examination granted?

Under certain circumstances the Nevada State Contractors Board will waive the trade examination requirement and the experience certification requirement for applicants that qualify for licensure by endorsement. These waivers are granted for applicants who are licensed in states determined by Nevada to have substantially equivalent requirements.

In order to apply for licensure by endorsement, you will need to have been actively licensed in the endorsing state for the past four (4) years and not have had any disciplinary actions, suspension or sanctions against your license. Proof of compliance with the requirements must be submitted with the application.

If your endorsing state does not offer an equivalent trade examination, you will be required to pass the state specific examination in Nevada.

20. If I think I am eligible for a waiver, must I complete the experience section of the application?

You are not required to document your experience if you meet the above circumstances for waiver of the exam. However, if you are reapplying for the same classification previously held in Nevada and time has lapsed since you were last qualified in Nevada, you must provide an updated Resume of Experience reflecting employment since you were last licensed.

21. How will I find out if I have to take the examination?

You may call either office of the Board to inquire if an exam is required. Otherwise, the Nevada State Contractors Board will send you an Examination Eligibility Letter if you are required to take an exam.

22. How soon after filing my application will I receive my Examination Eligibility Letter?

After your experience has been verified, an Examination Eligibility Letter, which includes your Candidate ID number, will be mailed to the address listed on the application, if an exam is required. A link for the Candidate Information Bulletin, which includes information about the exam(s) is available on the Boards website.

If the references & resume of experience provided are not sufficient to support the required experience, additional documentation may be requested before you can be approved to take the exam(s).

*PLEASE Note : Some applications are sent for formal investigation. Each application must be accepted AND approved in order for the license to be issued, even if the qualifier has passed the exam.*

23. Where are the examinations given?

There are three (3) testing centers located in the State of Nevada to choose from. The examination sites are located:

LAS VEGAS  
3210 East Tropicana Avenue  
Las Vegas, Nevada 89121

RENO  
Airport Plaza Office Building  
1755 E Plumb Lane Ste 108  
Reno, Nevada 89502

ELKO  
225 Silver Street Ste 102  
Elko, Nevada 89801

24. What are the major components of the examination?

There are two parts to the examination process: all qualifying individuals must pass the standard Business and Law examination; in addition, qualifying individuals must pass a trade exam covering the specific trade for which they are applying. *note: Not all classifications require a trade exam.*

25. What does the Business and Law examination cover?

The Business and Law examination consists of multiple choice questions related to business management and construction law. Applicants can find information on the breakdown of the topics covered in the examination in the *Candidate Information Bulletin*. A link is available on the Board's website.

26. How can I prepare for the Business and Law examination?

The *Construction Business and Law Manual for Nevada* is the basic study reference. The book may be ordered online at [www.psonlinestore.com](http://www.psonlinestore.com), or call the PSI Online store toll-free at (866) 589-3088 and ask for the " *Construction Business and Law Manual for Nevada.*"

27. How can I prepare for my trade examination?

A *Candidate Information Bulletin* is available on the PSI website. This bulletin lists the topic areas covered by the examination, shows how each area is weighted, and recommends resource materials to study. A link to the Candidate Information Bulletin is available on the Board's website.

28. What are the trade examinations like?

All trade examinations consist of multiple-choice questions. The Candidate Information Bulletin includes the percentage of correct answers needed to pass each examination.

29. What should I bring to the examination site?

*You must provide 2 forms of identification.* One must be a VALID form of government issued identification (driver's license, state ID, passport, military ID), which bears your signature and has your photograph or a complete physical description. The second ID must have your signature and preprinted legal name. All identification provided must match the name on the Examination Registration Form.

If you cannot provide the required identification, you must call (800) 733-9267 at least 3 weeks prior to your scheduled appointment to arrange a way to meet this security requirement. *Failure to provide all of the required identification at the time of the examination without notifying PSI is considered a missed appointment, and you will not be able to take the examination.*

After you sign-in and present the required identification, the proctor will issue you the following examination materials:

- Scratch paper
- Figure booklet(s)
- Set of plans

30. How long does the examination take?

Each exam has different time limits. Please refer to your Candidate information Bulletin for the length of time allowed for your particular exam.

31. What is involved with the computer-assisted testing (CAT) system?

Taking the PSI examination by computer is simple. You do not need any computer experience or typing skills. You will use fewer keys than you use on a touch-tone telephone. All response keys are colored and have prominent characters. Before you start your examination, an introductory tutorial to the computer and keyboard is provided on the computer screen. The time you spend on this tutorial, up to 15 minutes, DOES NOT count as part of your examination time. Sample questions are included as part of the tutorial so that you may practice using the keys, answering questions, and reviewing your answers.

32. When will I know my results?

Your score will be given to you immediately following completion of the examination. The following summary describes the score reporting process:

**On screen** – your score will appear immediately on the computer screen. This will happen automatically at the end of the time allowed for the examination; if you are using review features, you will be able to obtain your score immediately when you indicate that you have finished and would like to see your results.

- If you **pass**, you will immediately receive a successful notification and performance summary on the screen.

- If you **do not pass**, you will immediately receive an unsuccessful notification on the screen along with a diagnostic report indicating your strengths and weaknesses by examination type. Registration forms for submittal to PSI to retake the examination will be available at the examination site.

**On paper** – an official score report will be printed at the examination site.

33. If I fail to appear for an examination or fail to pass the Business and Law and/or a trade examination, may I retake the examination(s)?

You will not be able to take the examination as scheduled, and you will forfeit your examination fee, if you:

- Do not cancel your appointment 2 days before the scheduled examination date;
- Do not appear for your examination appointment;
- Arrive after examination start time;
- Do not present proper identification when you arrive for the examination.

You have three (3) attempts to pass each exam. A candidate who tests unsuccessfully must wait 2 weeks before retaking the examination. If you fail the third examination, the application becomes void. The applicant may apply again with a new application and fee 30 days or more after the date of the last examination.

34. May I review the test questions after the examinations?

No. Test questions and answers are not available for review. You may file a written protest or critique of any examination question(s) after you have completed your examination and before you turn in your examination materials to the proctor.

35. Are there any penalties for disclosing the contents of a state examination?

Yes. In accordance with NR 624.730 (2): Any person who, without the authorization of the Board, provides any portion of an examination of the Board to another person, is guilty of a misdemeanor.

36. Are there special accommodations for disabled applicants?

Applicants with disabilities or those who would otherwise have difficulty taking the examination should request for alternative arrangements with PSI. Requests for any special accommodations should be made in writing, describing the specific accommodations that will be needed, and must include supporting documentation on official letterhead from a licensed professional. All examination centers are equipped to

provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and every reasonable accommodation will be made in meeting a candidate's needs.

## Issuing a License

37. To whom is a license issued?

A license may be issued to an individual, a general partnership, a limited partnership, a corporation, limited liability company, or a joint venture. The license belongs to the owner of an individual license, to the partnership, to the corporation, limited partnership, limited liability company as it is registered with the Nevada Secretary of State, or to the combination of licensees who are party to the joint venture.

38. What is the difference between an active and an inactive license?

The holder of an active license is entitled to contract for work in the classifications, which appear on the license. While the license is active, the licensee must maintain a current License Bond, a Qualified Individual, and Workers' Compensation Insurance coverage.

If a license is inactive, that is, currently renewed but on inactive status, the holder may not bid or contract for work. Neither the License Bond nor a Qualified Individual are required for an inactive license. Also, a licensee does not need to have proof of workers' compensation insurance coverage on file with the Nevada State Contractors Board while the license is inactive.

39. To whom does the term "qualifying individual" refer?

A qualifying individual, or simply "qualifier," is the person listed on the Nevada State Contractors Board records who meets the experience and examination requirements for the license. A qualifying individual is required for every classification on each license issued by the Nevada State Contractors Board.

40. What is the qualifying individual required to do?

The natural person qualifying on behalf of another natural person or firm must prove that he or she is a bona fide member or employee of that person or firm and when his or her principal or employer is actively engaged as a contractor shall exercise authority in connection with the principal or employer's contracting business in the following manner:

- (a) To make technical and administrative decisions;
- (b) To hire, superintend, promote, transfer, lay off, discipline or discharge other employees and to direct them, either by himself or herself or through others, or effectively to recommend such action on behalf of the principal or employer; and
- (c) To devote himself or herself solely to the principal or employer's business and not to take any other employment which would conflict with his or her duties under this subsection.

41. Can the same person serve as the qualifier for more than one license?

A person may act as a qualifying individual for more than one active license only if one of the following conditions exists:

- (a) One person owns at least 25 percent of each licensee for which the person qualifies; or
- (b) One licensee owns at least 25 percent of the other licensee.

42. Who can be a qualifying individual?

If you have an individual license, your qualifier may be either an Employee or you.

If you have a partnership license, your qualifier may either be one of the partners or an Employee.

If you have a corporate license, your qualifier may be either one of the officers listed on the license or an Employee.

If you have a limited liability license, your qualifier may be either one of the members or managers listed on the license or an Employee.

If your qualifying individual is an Employee, he or she must be a bona fide employee of your company.

43. Will a conviction for a criminal offense prevent a person from being licensed as a contractor or from serving as a qualifying individual?

The Nevada State Contractors Board's applications and other forms include questions regarding criminal convictions and requires each person associated with the application to submit fingerprints. The conviction of a crime does not automatically disqualify you from obtaining a license. NRS 624.265 requires an applicant to possess good character. Conviction of a crime can be cause to deny an application.

44. What will I receive to show that I'm licensed?

You will receive a wall certificate showing the name of the company to which the certificate has been issued, the license number, the classification(s) held, principal names and the date of issue and a pocket card showing the license number, business name, classification(s), and the license expiration date. The law requires that you display your wall certificate in your main office or chief place of business. You should also make it a habit to carry your pocket license, especially in situations where you think you might be soliciting business or talking to potential customers.

45. How long before I receive those documents?

You should receive your wall certificate and pocket card within approximately two weeks from the time your license is issued.

46. Are there any financial requirements to meet in order to qualify for a contractor's license?

Yes. You must submit a current financial statement (statement) with the application that meets the following criteria.

## Financial Requirements

- Financial statements must be for the applying entity. Sole proprietorships and each general partner of a general partnership must submit their personal statement.
- All statements must be in U.S. dollars.
- Business statements must include a classified balance sheet.
- Personal statements that have been prepared by a Certified Public Accountant must include a supplemental schedule disclosing working capital and net worth.

### **For License Monetary Limits of \$10,000 or less you must provide one of the following:**

- A current financial statement prepared by an independent certified public accountant; or
- A current financial statement submitted on a form prescribed by the Board (available on the Board's website [www.nscb.nv.gov](http://www.nscb.nv.gov), click on contractor forms); or
- A current financial statement (Balance Sheet) prepared using accounting software in accordance with generally accepted accounting principles and accompanied by an affidavit that verifies the accuracy of the financial statement.

\*To prevent a delay in the processing of your application, if you are unfamiliar with preparing your own financial statement, you are encouraged to seek the advice of an Accountant.

Note: Self-prepared or compiled statements must be current to within six months from the date the application is received.

### **For License Monetary Limits more than \$10,000 but less than \$50,000 you must provide one of the following:**

- A compiled financial statement prepared by an independent certified public accountant, current within 6 months from the date the application is received; or
- A reviewed or audited by an independent certified public accountant, current within one (1) year from the date the application is received.

### **For License Monetary Limits of \$50,000 or more but less than \$250,000 you must provide one of the following:**

- A compiled financial statement with full disclosures, prepared by an independent certified public accountant, current within 6 months from the date the application is received; or
- A reviewed or audited by an independent certified public accountant, current within one (1) year from the date the application is received.

**For License Monetary Limits of \$250,000 or more:** you must provide a financial statement that is prepared and **reviewed or audited** by an independent certified public accountant, current within one (1) year from the date the application is received.

2. **Bank Verification Form:** A bank verification form must be completed by your bank and submitted with your application.
3. **Indemnification Option:** Indemnification allows the Board to consider the financial strength of an individual or entity in addition to the applicant. The indemnification is **not required**, however, provides an option to an applicant who may not otherwise qualify. The agreement must be on a form prescribed by the Board, and accompanied by a financial statement and bank verification form. Financial statements must meet the same criteria as set forth above. Indemnification forms are available on the Board's website.

47. Are there any bond requirements for a contractor's license?

Yes. The Board determines the amount of the bond at the time of license approval. The bond can vary in amount from \$1,000 to \$500,000 based on the type of license, monetary limit, past, present or future financial responsibility, experience, and character of the applicant.

After license approval, you will receive notification of the amount of bond required. A surety bond or a cash deposit will be required for that amount.

**Swimming Pool Contractors – Bonding Requirements for contractors who perform or will perform work concerning residential pools or spas:**

**Consumer Protection Bond:** Before granting an original contractor's license to, or renewing the contractor's license of, an applicant who performs or will perform work concerning residential pools or spas, the Board shall, in addition to any other conditions for the issuance or renewal of a license, require the applicant to file with the Board a bond solely for the protection of consumers in an amount fixed by the Board; or in lieu of filing a bond, establish with the Board a cash deposit as provided in this section. Failure of an applicant or licensee to file or maintain in full force the required bond or to establish the required cash deposit constitutes cause for the Board to deny, revoke, suspend or refuse to renew a license.

The amount of each bond or cash deposit required by this section must be fixed by the Board with reference to the contractor's financial and professional responsibility and the magnitude of his operations, but must be not less than \$10,000 or more than \$400,000.

**Payment and Performance Bond:** Under certain conditions, the Board may require a residential pool and spa contractor to obtain a performance bond in an amount equal not less than 50 percent of the amount of the contract. The performance bond must be solely for the protection of the owner of the property to be improved. The contractor may also be required to obtain a payment bond in an amount equal to not less than 50 percent of the amount of the contract. The payment bond must be solely for the protection of persons supplying labor or materials to the contractor, or to any of his subcontractors, in carrying out the provisions of the contract. In lieu of a performance or payment bond, the contractor may obtain an equivalent form of security approved by the Board.

48. Where do I obtain bonds?

You may purchase a surety bond from a surety company authorized to transact business in the State of Nevada, and whose long-term obligations are rated "A" or better, or

Cash bonds must be in the form of a Cashier's Check payable to the State Contractors Board for the full amount of the bond. A biennial administrative fee of \$200.00 will be assessed for all cash bond deposits.

49. How long is a bond valid?

If you choose to post a cash deposit, please note that following termination of the license or relief of the bond requirement, the Nevada State Contractors Board is required to hold the cash deposit for an additional two (2) years. The requirement is based on the statute of limitations for filing claims.

Bonds must be continuous in form. A surety may cancel the bond by giving 60 days notice to the Nevada State Contractors Board. Your license must have a continuous bond with no lapse in coverage. Failure of an applicant or licensee to file or maintain in full force the required bond or to establish the required cash deposit constitutes cause for the Board to deny, revoke, suspend or refuse to renew a license.

50. What is the total amount of the fees I must pay to obtain a contractor's license?

Fees are subject to change. Current fees are printed on the application forms and notices distributed to you. You may call the Nevada State Contractors Board or check the Web site to verify the fees. Currently, the application fee is \$300.00 and the biennial license fee is \$600.00.

In addition to the above fee, if you are a residential contractor who will be providing "Qualified Services" you must pay a Residential Recovery Fund Assessment. Qualified services are defined in NRS 624.440 as "any construction, remodeling, repair or improvement performed by a residential contractor on a single family residence occupied by the owner of the residence". The fund is created from assessments of contractors who participate in the construction, remodeling, repair or improvement to residential housing. Assessments are based on the monetary limit placed on the license.

The current residential recovery fund assessment fee schedule is:

For monetary limits up to \$1,000,000 .....	\$ 80.00
For monetary limits over \$1,000,000 but limited...	\$ 200.00
For unlimited licenses.....	\$ 400.00

The fee is payable before the license is issued and every two years with renewal.

51. Do I need to be concerned about Workers' Compensation Insurance?

All contractors are required to provide proof of compliance with Industrial insurance coverage (workers' compensation) as a condition of licensure, to maintain a license, to activate an inactive license, or to renew a license, unless they are exempt from this requirement and have signed an exemption affidavit.

52. How long is a license valid?

A contractor's license is initially issued for a two-year period. It will expire two years from the last day of the month in which it was issued. Licenses are renewed every two years.