



Nevada State Contractors Board

STRATEGIC PLAN

**EXECUTIVE OFFICER REPORT
QUARTER ONE REPORT**

July 1 - September 30, 2018



Members of the Board

Margaret Cavin, *Chair*

Kent Lay, *Treasurer*

Kevin Burke

Melissa Caron

Joe Hernandez

Jan B. Leggett

Guy M. Wells

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Margi Grein, *Executive Officer*

Nancy Mathias, *Licensing Administrator*

Paul Rozario, *Director of Investigations*

Brian Hayashi, *Information Technology Manager*

Jennifer Lewis, *Public Information Officer*

members
and
public



Message from the Executive Officer

The launch of our 2018-19 Strategic Plan signals the start of a busy and exciting year for the Contractors Board. At the forefront of this quarter's strategic goals were several initiatives to identify legislative solutions that would reduce barriers to licensure, improve license mobility opportunities, update areas of law that were inefficient or outdated, and address feedback from the industry, among others.

With five months until the 2019 Legislative Session commences and our bill draft requests established, the Board will be actively engaged in opportunities to meet with legislators, share information on the Board's activities and regulatory functions, and diligently monitoring any legislation that could affect the health, safety, and welfare of those who engage with licensed Nevada contractors.

Yet, even though our attention was centered on this initiative, the Board continued to be involved in the professional development of its members and staff, foster and expand its partnerships with representatives from contractor licensing boards nationwide, and find new opportunities to connect with the public and share resourceful information with state and local agencies.

Our vision to be a model regulatory Board is not boastful - it is our standard for doing business. Our Board has been in existence for over 75 years, which means we understand the importance of our mission. We value the opportunities to share our story, to explain our operations that work daily to assist those in need or looking to make their dream a reality, and to meet with other regulatory agencies, every day residents of Nevada, and representatives from the industry.

Being a model agency is more than the efficiency of our operations. It is about the imprint you leave on those you are able to reach, in whatever fashion you may meet them. This quarter's report hopes to illustrate some of these initiatives.

A handwritten signature in blue ink that reads "Margi A. Grein".

MARGI A. GREIN
Nevada State Contractors Board Executive Officer

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Executive Officer Highlights

Board Sets Legislative Initiatives for the 2019 Legislative Session (Goals 1, 2, 4, 5)

At the start of the fiscal year, staff prepared a number of legislative recommendations to the Board centered predominantly on reducing barriers to licensure and improving license mobility, increasing its ability to offer financial recourse to owners of single family residences through the Board's Residential Recovery Fund, and making other modifications to existing law. Upon approval of the legislative priorities, the Board was successful in obtaining four bill draft requests for consideration in the 2019 Legislative Session.

Board Hosts Joint Board Training with Regulatory Expert; Participates in Annual Training by the National Judicial College (Goals 4, 5)

The Contractors Board invited the executive officers, board members, and legal counsel of the Board of Architects and the Board of Engineers to its annual Comprehensive Regulatory Training by Dale Atkinson of the Federation of the Association of Regulatory Boards (FARB), which emphasized the role of the members of regulatory boards and highlighted current trends and issues impacting the regulatory community. Additionally, Contractor Board members, executive staff, and counsel received a tailored training by Justice Gillette and Judge Boone of The National Judicial College.

Executive Officer Attends NASCLA Annual Conference & FARB Regulatory Law Seminar (Goal 5)

Executive Officer Grein attended the National Association of State Contractor Licensing Agencies Annual Conference during the quarter, which offered dynamic discussions related to

occupational licensing reform, interacting with legislative representatives, reviewing current trends and case law in the regulatory industries, strategies for reducing elder abuse, and other useful presentations to keep boards across the nation thinking proactively. FARB's Regulatory Law Seminar offered expanded information on the Administrative Procedures Act, due process, confidentiality of complains, and new legislation being considered at the national and state levels.

Board Hosts Roundtable Discussions with Industry Representatives; Hosts Fifth Annual Contractor Training Day Events (Goals 2, 3, 5)

The Board met with representatives from the Plumbing, Heating, Cooling Contractors Association (PHCC) and the Southern Nevada Air Conditioning Refrigeration Service Contractors Association (SNARSCA) to proactively discuss issues of importance to the industry. Contractors across the state also participated in the Board's Fifth Annual Contractor Training Day, which included a panel discussion on workforce development and a presentation that offered tips and examples on how to best protect and interact with senior customers.

Board's Outreach to Public Expanded (Goal 3)

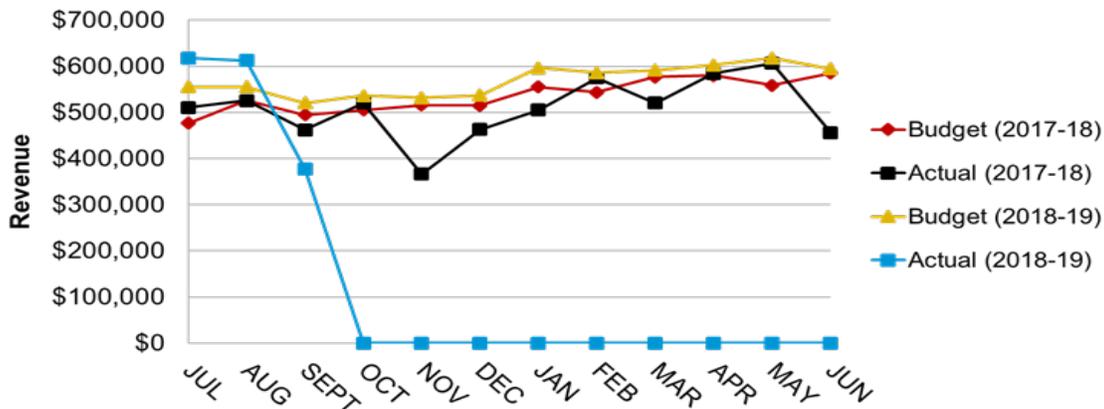
During the quarter, the Board conducted a webinar for the Las Vegas Metro Chamber of Commerce, spoke of consumer protections on the Shades of Green Beasley Media Group radio program, participated in the Nevada Builder's Alliance Construction Career Day, met with NV Energy to discuss unlicensed contracting practices and resources of the Board, and provided seniors with tips and information related to construction scams.

Data Dashboard

Budget (2017-2018)	JULY-17	AUG-17	SEPT-17	OCT-17	NOV-17	DEC-17	JAN-18	FEB-18	MAR-18	APR-18	MAY-18	JUN-18	TOTAL \$
License Renewals	\$231,000	\$331,000	\$301,000	\$311,000	\$321,000	\$321,000	\$381,000	\$351,000	\$381,000	\$386,000	\$365,000	\$390,000	\$4,100,000
New License Fee	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$780,000
Application Fee	\$47,916	\$47,917	\$47,917	\$47,916	\$47,917	\$47,917	\$47,916	\$47,917	\$47,917	\$47,917	\$47,917	\$47,917	\$575,000
License Changes	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,584	\$475,000
Investigative Recov Costs	\$26,666	\$26,667	\$26,667	\$26,666	\$26,667	\$26,667	\$26,666	\$26,667	\$26,667	\$26,666	\$26,667	\$26,667	\$320,000
Renewal Late Fees	\$7,083	\$7,083	\$7,084	\$7,083	\$7,083	\$7,084	\$7,083	\$7,083	\$7,084	\$7,083	\$7,083	\$7,084	\$85,000
Renewal Inactive Fee	\$9,100	\$8,200	\$7,900	\$7,900	\$8,900	\$8,000	\$8,000	\$7,000	\$10,000	\$8,000	\$8,000	\$9,000	\$100,000
TOTAL \$	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$478,343	\$626,460	\$486,162	\$606,143	\$618,160	\$616,262	\$666,243	\$644,260	\$677,262	\$680,243	\$668,260	\$686,262	\$8,436,000
Actual (2017-2018)	JULY-17	AUG-17	SEPT-17	OCT-17	NOV-17	DEC-17	JAN-18	FEB-18	MAR-18	APR-18	MAY-18	JUN-18	TOTAL \$
License Renewals	\$345,880	\$332,230	\$316,981	\$37,300	\$200,500	\$312,912	\$351,300	\$407,100	\$307,348	\$397,200	\$401,700	\$303,075	\$4,033,525
New License Fee	\$65,300	\$60,700	\$54,000	\$46,800	\$55,800	\$51,600	\$45,600	\$49,300	\$69,450	\$66,600	\$80,450	\$50,050	\$694,650
Application Fee	\$34,600	\$44,400	\$38,700	\$37,283	\$42,000	\$34,418	\$39,000	\$42,900	\$53,700	\$51,000	\$47,450	\$58,800	\$521,250
License Changes	\$33,900	\$36,800	\$38,375	\$33,300	\$31,800	\$27,675	\$33,200	\$43,590	\$36,735	\$35,525	\$39,000	\$37,025	\$426,925
Investigative Recov Costs	\$19,678	\$41,775	\$86	\$34,508	\$25,012	\$17,853	\$22,616	\$20,635	\$39,797	\$20,079	\$20,830	\$193	\$262,888
Renewal Late Fees	\$8,700	\$5,775	\$4,725	\$7,500	\$6,750	\$8,063	\$7,500	\$6,975	\$6,863	\$7,875	\$8,850	\$6,003	\$85,578
Renewal Inactive Fee	\$3,000	\$3,750	\$9,675	\$3,900	\$4,200	\$10,275	\$6,000	\$5,100	\$6,975	\$6,600	\$8,400	\$4,125	\$72,000
TOTAL \$	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$611,068	\$626,490	\$482,370	\$620,688	\$388,082	\$482,784	\$606,218	\$674,800	\$520,887	\$634,379	\$608,880	\$468,271	\$8,088,816
Variance (2017-2018)	JULY-17	AUG-17	SEPT-17	OCT-17	NOV-17	DEC-17	JAN-18	FEB-18	MAR-18	APR-18	MAY-18	JUN-18	TOTAL \$
License Renewals	\$64,880	\$1,230	\$15,981	\$46,300	(\$120,500)	(\$8,089)	(\$9,700)	\$56,100	(\$73,653)	\$11,200	\$36,700	(\$36,925)	(\$66,475)
New License Fee	\$300	(\$4,300)	(\$11,000)	(\$18,200)	(\$9,200)	(\$13,400)	(\$19,400)	(\$16,700)	\$4,450	\$1,600	\$15,450	(\$14,950)	(\$85,350)
Application Fee	(\$13,316)	(\$3,517)	(\$9,217)	(\$10,634)	(\$5,917)	(\$13,499)	(\$8,916)	(\$5,017)	\$5,783	\$3,084	(\$467)	\$7,883	(\$53,750)
License Changes	(\$5,683)	(\$2,783)	(\$1,209)	(\$6,283)	(\$7,783)	(\$11,908)	(\$6,383)	\$4,007	(\$2,849)	(\$4,058)	(\$583)	(\$2,599)	(\$48,075)
Investigative Recov Costs	(\$6,988)	\$15,108	(\$26,753)	\$7,840	(\$1,655)	(\$8,814)	(\$4,050)	(\$6,032)	\$13,130	(\$6,587)	(\$5,337)	(\$26,474)	(\$57,112)
Renewal Late Fees	\$1,617	(\$1,308)	(\$2,359)	\$417	(\$333)	\$979	\$417	(\$108)	(\$222)	\$792	\$1,767	(\$1,082)	\$878
Renewal Inactive Fee	(\$6,100)	(\$4,450)	\$1,775	(\$4,000)	(\$4,700)	\$2,275	(\$2,000)	(\$1,900)	(\$3,028)	(\$1,400)	\$400	(\$4,875)	(\$28,000)
TOTAL \$	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$84,710	(\$20)	(\$12,752)	\$15,441	(\$180,088)	(\$62,468)	(\$60,032)	\$80,360	(\$68,389)	\$4,831	\$47,430	(\$128,981)	(\$338,186)
Budget (2018-2019)	JULY-18	AUG-18	SEPT-18	OCT-18	NOV-18	DEC-18	JAN-19	FEB-19	MAR-19	APR-19	MAY-19	JUN-19	TOTAL \$
License Renewals	\$350,000	\$350,000	\$350,000	\$330,000	\$326,000	\$332,000	\$390,000	\$380,000	\$385,000	\$395,000	\$410,000	\$387,000	\$4,350,000
New License Fee	\$66,666	\$66,667	\$66,667	\$66,666	\$66,667	\$66,667	\$66,666	\$66,667	\$66,667	\$66,666	\$66,667	\$66,667	\$800,000
Application Fee	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$600,000
License Changes	\$41,666	\$41,667	\$41,667	\$41,666	\$41,667	\$41,667	\$41,666	\$41,667	\$41,667	\$41,666	\$41,667	\$41,667	\$500,000
Investigative Recov Costs	\$33,333	\$33,333	\$33,334	\$33,333	\$33,333	\$33,334	\$33,333	\$33,333	\$33,334	\$33,333	\$33,333	\$33,334	\$400,000
Renewal Late Fees	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$90,000
Renewal Inactive Fee	\$5,800	\$6,100	\$6,200	\$7,200	\$6,400	\$6,200	\$7,300	\$6,900	\$7,200	\$8,500	\$8,900	\$6,300	\$85,000
TOTAL \$	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$664,866	\$656,287	\$620,388	\$638,366	\$631,667	\$637,388	\$696,466	\$658,067	\$661,388	\$682,866	\$691,067	\$654,488	\$8,325,000
Actual (2018-2019)	JULY-18	AUG-18	SEPT-18	OCT-18	NOV-18	DEC-18	JAN-19	FEB-19	MAR-19	APR-19	MAY-19	JUN-19	TOTAL \$
License Renewals	\$412,800	\$381,600	\$237,540										\$1,031,940
New License Fee	\$76,200	\$93,600	\$28,800										\$198,600
Application Fee	\$41,400	\$48,600	\$46,500										\$136,500
License Changes	\$42,425	\$40,350	\$35,475										\$118,250
Investigative Recov Costs	\$32,230	\$37,526	\$21,335										\$91,091
Renewal Late Fees	\$7,500	\$6,000	\$6,113										\$19,613
Renewal Inactive Fee	\$5,700	\$5,100	\$2,325										\$13,125
TOTAL \$	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$618,266	\$612,776	\$378,088	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,608,119
Variance (2018-2019)	JULY-18	AUG-18	SEPT-18	OCT-18	NOV-18	DEC-18	JAN-19	FEB-19	MAR-19	APR-19	MAY-19	JUN-19	TOTAL \$
License Renewals	\$62,800	\$31,600	(\$77,460)	(\$330,000)	(\$326,000)	(\$332,000)	(\$390,000)	(\$380,000)	(\$385,000)	(\$395,000)	(\$410,000)	(\$387,000)	(\$3,318,060)
New License Fee	\$9,534	\$26,933	(\$37,867)	(\$66,666)	(\$66,667)	(\$66,667)	(\$66,666)	(\$66,667)	(\$66,667)	(\$66,666)	(\$66,667)	(\$66,667)	(\$601,400)
Application Fee	(\$8,600)	(\$1,400)	(\$3,500)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$463,900)
License Changes	\$759	(\$1,317)	(\$6,192)	(\$41,666)	(\$41,667)	(\$41,667)	(\$41,666)	(\$41,667)	(\$41,667)	(\$41,666)	(\$41,667)	(\$41,667)	(\$381,750)
Investigative Recov Costs	(\$1,103)	\$4,193	(\$11,999)	(\$33,333)	(\$33,333)	(\$33,334)	(\$33,333)	(\$33,333)	(\$33,334)	(\$33,333)	(\$33,333)	(\$33,334)	(\$308,909)
Renewal Late Fees	\$0	(\$1,500)	(\$1,388)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$70,388)
Renewal Inactive Fee	(\$100)	(\$1,000)	(\$3,875)	(\$7,200)	(\$6,400)	(\$6,200)	(\$7,300)	(\$6,900)	(\$7,200)	(\$8,500)	(\$8,900)	(\$8,300)	(\$71,875)
TOTAL \$	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$83,280	\$67,608	(\$142,260)	(\$638,166)	(\$631,667)	(\$637,388)	(\$694,466)	(\$682,067)	(\$661,388)	(\$682,866)	(\$691,067)	(\$664,488)	(\$6,216,981)

Data Dashboard

Application, Renewal & Cost Recovery Revenue
(FY 2017-18 / 2018-19)



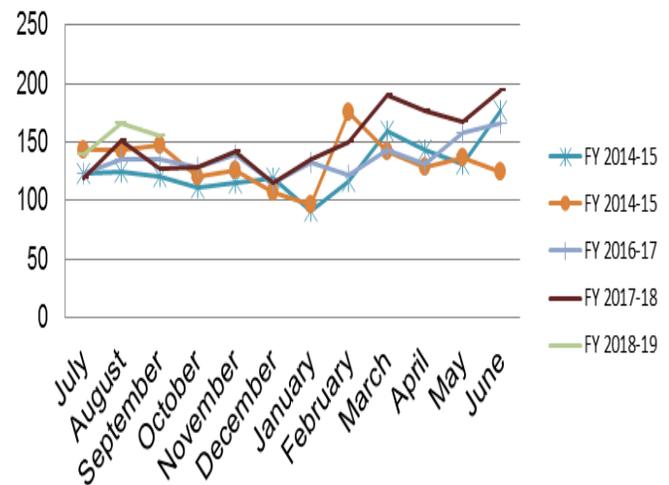
JULY TO SEPTEMBER 2018				FISCAL YTD LICENSING FEE TOTALS (FY 2018-19)			
Licenses (Beginning of Quarter)	16,154			LICENSING FEES	BUDGET	ACTUAL	VARIANCE
New Licenses Issued	357			License Renewals	4,350,000	1,031,940	(3,318,060)
Licenses Cancelled / Surrendered / Revoked	(203)			New License Fee	800,000	198,600	(601,400)
Variance in Suspended/Reinstated Licenses	(14)			Application Fee	600,000	136,500	(463,500)
Licenses (End of Quarter)	16,294			License Changes	500,000	118,250	(381,750)
# of Licenses on July 1, 2018	16,154			Invest Recov Costs	400,000	91,091	(308,909)
# of Licenses on Sept 30, 2018	16,294			Renewal Late Fees	90,000	19,613	(70,388)
Net YTD (Fiscal Year)				Renewal Inactive Fee	85,000	13,125	(71,875)
Licenses Gained / Lost	140						
Renewal Revenue Gained / Lost	\$84,000						
<i>*Does not include suspended licenses</i>							
90 Day Retention Rate				180 Day Retention Rate			
Projected Year-End Retention Rate	July 2018	16,154		Projected Year-End Retention Rate	Apr 2018	16,053	
	Cancellations	(203)	(1.25%)		Cancellations	(482)	(2.96%)
	New Licenses	357	2.19%		New Licenses	723	4.44%
	Susp/Reinstate	(14)	(0.09%)		Susp/Reinstate	0	0.00%
	Sept 2018	16,294			Sept 2018	16,294	
	Change	140			Change	241	
3 Month Rolling	% Change	0.86%		6 Month Rolling	% Change	1.48%	

Licensing Department

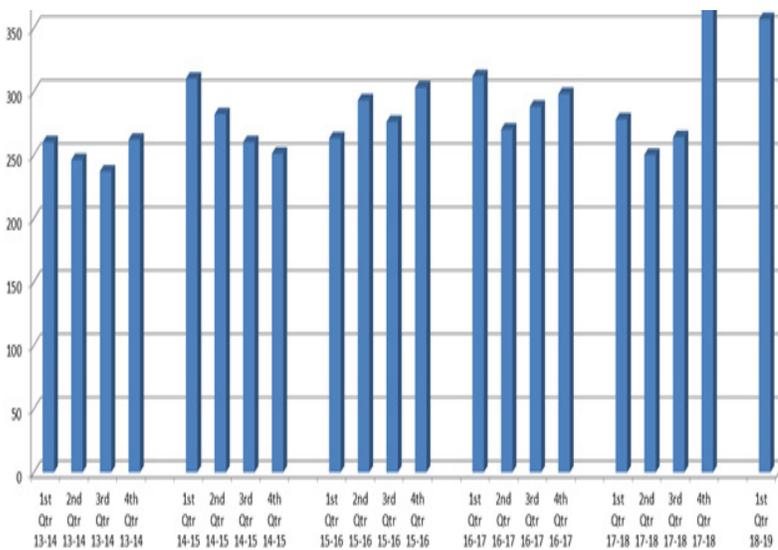
QUARTERLY STATS

- New License Apps: 460 (+16%)
- Issued Licenses: 357 (+28%)
- Change Apps: 680 (-8%)
- Active Licenses: 15,673 (+3%)
- Inactive Licenses: 621 (-11%)
- Placed on Inactive Status: 37 (+37%)
- Voluntary Surrender: 63 (+7%)
- Active License Renewals: 1,860 (+8%)
- Inactive License Renewals: 59 (-24%)
- License Suspensions (no bond): 191 (-8%)
- Licenses Cancelled: 120 (-34%)
- Application Denial Hearings: 10 (+25%)
- Financial Responsibility Hearings: 8 (+100%)

New License Applications



ISSUED LICENSES



Licensing Department Addresses Strategic Priorities

The Board adopted R042-17 to enhance licensure by endorsement and established an online *State Equivalency Chart* in efforts to expand license by endorsement opportunities for testing and experience requirements with other states. The online chart serves as a guide to applicant who are interested in applying for waiver of the Board's testing and/or experience requirements.

Bill Draft Requests for the 2019 Legislative Session seek to amend language relating to general building contractors as well as post-licensure financial statement requirements for new licensees.

In an effort to identify opportunities to improve license classifications, data relative to the number of licensees in each category were compiled and a compared to the overall percentage of licensees. Scopes of work were also reviewed to identify opportunities for consolidation.

Licensing Department

Active License Renewals



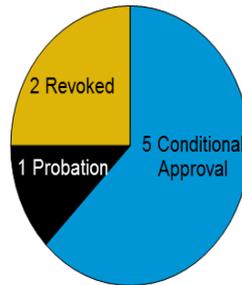
Board Hits Milestone!
Over 50% of Renewals Occurred Online for First Time This Quarter

Financial review hearings have increased 100% when compared to the first quarter of FY 2017-18; however, this year's figure is the same as the first quarter of FY 2016-17. In total, staff initiated 298 financial reviews during the reporting period and approved 230. Only 8 required a hearing before the Board and only 2 licensees were revoked for failure to establish financial responsibility.

Business Assistance Program Participation Shows Positive Trend

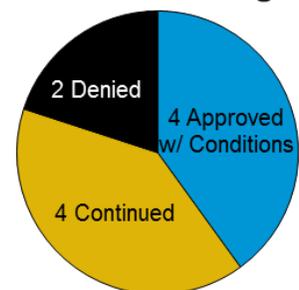
The Board's Business Assistance Program affords applicants an opportunity to receive an overview of the requirements for licensure and tips for streamlining their application process. Since FY 2016-17, the Board continues to see an increase in the number of applicants participating in this free program - 21% increase from FY 2017-18 and 47% from FY 2016-17.

Financial Review Hearing Results



New license application denial hearings have increased 25% when compared to the first quarter of FY 2017-18. New application denial hearings have decreased 44% when compared to the first quarter of FY 2016-17.

New License Application Denial Hearings



Background Check Initiative

The Nevada State Contractors Board is authorized under NRS 624.265 to request fingerprints from all applicants for licensure for the purposes of conducting criminal background checks, which are used to assess the character of an applicant and verify accuracy and/or omission of information provided on the license application. The Board use of criminal justice databases is monitored and audited by the State of Nevada and the FBI for compliance with applicable rules, regulations, policies and procedures.



Fingerprints Submitted	828
Total fingerprints returned with criminal histories	191
Total fingerprints returned without criminal histories	637
Criminal Histories	23%

1st Quarter Background Check Results

- 51 Background investigations initiated
 - 18 Investigations pending
 - 54 Investigations closed
- 6 Administrative Citations issued for misrepresentation
 - \$3,000 in fines
 - \$1,436 in costs

PROACTIVE INTERVIEWS HELP MITIGATE DENIAL OF LICENSE APPLICATIONS

Licensing utilizes the expertise of Enforcement to conduct interviews with applicants whose history reveals criminal activities of concern. The interview process is an informal administrative meeting that affords an applicant the opportunity to provide further explanation and reasoning about crimes they may have committed. Based on the information disclosed during the interview, Enforcement will make a recommendation on whether the applicant poses a risk to the public's health, safety, and welfare.

Of the 13 applicants interviewed for this purpose during the reporting period, 11 (85%) were approved for licensure and 2 (15%) applicants were denied licensure and afforded the opportunity to request an appeal hearing before the Board.

Enforcement Department

QUARTER IN REVIEW

693 Complaints Opened

- 280 Workmanship (40%)
- 52 Money Owing (8%)
- 109 Industrial Regulation (16%)
- 178 Contracting without a License (26%)
- 71 Unlawful Advertising (10%)
- 3 Criminal Fraud (<1%)

100 Citations Issued

- 43 Administrative Citations issued to licensed contractors
 - \$57,300 in Fines
 - \$15,008 in Costs
- 19 Administrative Citations issued to unlicensed contractors
 - \$20,500 in Fines
 - \$7,817 in Costs
- 38 Criminal Citations

50 Disciplinary Hearings

- 15 Licenses Revoked
- 40 Cases assessed fines & costs
 - \$142,100 in Fines
 - \$44,133 in Costs

2 Summary Suspensions

61 Criminal Affidavits Filed with District Attorney Offices

83 Cease & Desist Orders Issued to Unlicensed Contractors

Workmanship Complaints On the Rise

Workmanship complaints received by the Board in FY 2018-19 reflect an increase of 11% compared to the same reporting period for FY 2017-18 and an increase of 30% compared to FY 2016-17.

The rebound of the economy has generated an increase in the number of residential and commercial construction projects, which is likely a contributing factor to the increase of complaints being received by the Board.

Two Disciplinary Cases Highlight Board's Role in Consumer Protection

It's an unfortunate situation when licensed contractors fail to uphold the business and trade standards they agree to upon obtaining their license to work. However, their license affords homeowners an avenue for recourse that aims to have validated concerns regarding substandard workmanship or failure to uphold the terms of a contract remedied administratively through the Board's investigative process.

During the quarter, two contractors in particular faced the highest scrutiny from the Board as each of their disciplinary hearings resulted in the revocation of their licenses.

M.C. Mojave Construction, LLC, and Home Masters were found guilty on a number of violations including abandonment of a construction project, failure to take appropriate corrective action, substandard workmanship, wrongfully diverting money, failure to establish financial responsibility, and failure to provide mandated disclosures to the homeowners.

Although the Board was unable to assess fines and restitution because of each contractor's bankruptcy filing, affected homeowners may qualify for financial recourse through the Board's Residential Recovery Fund.

Residential Recovery Fund

RECOVERY FUND PROVIDES AID TO HARMED HOMEOWNERS

The Residential Recovery Fund was established in 1999 by the Nevada State Legislature to provide owners of single-family residences who have been damaged by a licensed contractor's failure to appropriately execute a contract an administrative avenue to seek financial recourse.

A single claim cannot exceed \$35,000 and claims against a single contractor cannot exceed \$400,000. Claimants to the Recovery Fund must apply within four (4) years after the completion of the qualified services or within two years upon obtaining a Judgment from the Courts.

Since 2001, over 1,300 claimants (80% of claims filed) have benefited from the Residential Recovery Fund, which has distributed nearly \$11 million to harmed homeowners.

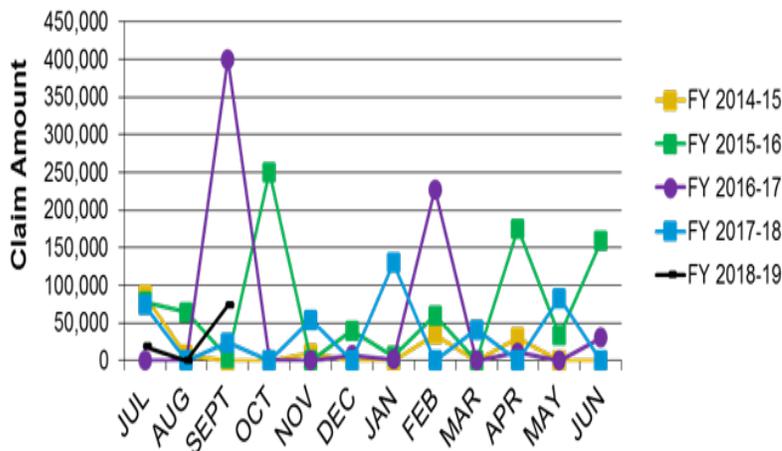
QUARTER IN REVIEW

- 27 Cases opened
- 9 Cases awarded \$91,991
- Average award = \$10,221
- 2 Cases denied
- Recovery Fund balance as of September 30, 2018 is \$6.4 million

Highlights from Claims Awarded to Homeowners During 1st Quarter

- Homeowner paid licensed contractor to build an RV garage, however, no materials were purchased or work was performed. Other licensed contractors were hired to complete the job, including siding, insulation, sheet rock, masonry, HVAC, and lighting. Recovery Fund reimbursed homeowner \$20,721.
- Homeowner discovered leaky roof and poor masonry workmanship following a series of bad weather that hit the valley. Contractor did not respond to the Board nor make the necessary corrections. Homeowner was awarded \$11,560.
- Contractor abandoned its project to install pool plaster and pool equipment after being paid. Homeowner was awarded \$13,140.
- Project to construct a carport and install a photovoltaic system was abandoned. Homeowner awarded \$18,678.

Recovery Fund Claims Amount Paid



“We are homeowners that needed help from a faulty a/c unit that was installed. Your office assisted and after our hearing- we will be given restitution. Thank you for being available to the public, and providing an avenue to resolutions when the contractor acts unethically. It is very much appreciated!” ~Charlene S., September 20, 2018

Public Protection Efforts

The Board is mandated to open and investigate all complaints received from the public. Cases that involve alleged crimes against a senior citizen and/or life safety issues are considered a priority. Any case referred by the Board to a District Attorney for criminal prosecution involving a senior citizen will include a recommendation to add the enhancement penalty under NRS 193.167.

Priority Investigations into Senior & Life-Safety Cases

An 80-year-old woman was in need of landscape maintenance services and hired an unlicensed contractor who agreed to handle her lawn care needs. Over the course of five weeks, the unlicensed contractor had received over \$8,500 from the victim who stated she felt obligated to pay him because he was kind to her. The unlicensed contractor continued to charge the victim \$600 for small landscaping projects that were added on, such as re-planting shrubs. The Board submitted the case to the local District Attorney's office and requested full restitution be paid to the victim. The case is pending prosecution.

A woman found herself displaced from her home for over a month when the contractor she hired to remodel her home, who she discovered was unlicensed, left her without plumbing or a gas line after demolishing both at the start of the project. With false promises and no real progress being made, she filed a complaint with the Board. The Board worked swiftly to get her back into her home, advising that she to obtain three bids from licensed contractors to make the necessary repairs, while the Board concurrently submitted the case to the local District Attorney's office for criminal prosecution. The homeowner acknowledged without the assistance of the Board, she may never have been able to move back into her home so quickly. The criminal charges are still pending prosecution; full restitution was recommended by the Board.

Making things right...

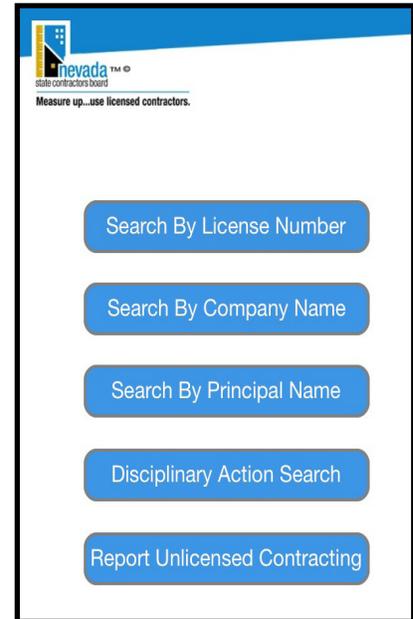
A 73-year-old woman in southern Nevada filed a complaint with the Board upon learning that the installation of her hydro therapy bathtub and shower resulted in mold and mildew damage from a leak. As the Board conducted its investigation, the unlicensed contractor fully complied with the Board's orders, paid its fines and fees, and within a month of being cited, had fully refunded the victim her money, agreed to replace the equipment that was not working in her home, and passed the required licensing examinations needed to become properly licensed in the State of Nevada.

An 83-year-old woman in rural Nevada hired a licensed contractor to supply and install a wall furnace in her home. Although the work was complete, workmanship issues arose that the homeowner could not resolve with the contractor, so she filed a complaint with the Contractors Board. At the jobsite meeting, the Board discovered a notice on the installed equipment from Southwest Gas that read 'unsafe to use' because of a possible obstruction in the heat exchange that may be allowing carbon dioxide to build up in the home. A Notice to Correct was issued, and when the contractor realized he would not be able to make the repairs necessary, he offered to reimburse the homeowner in full, remove the faulty equipment, and patch up all holes made to the home. All corrective actions were made in a timely fashion and the homeowner was elated to have her concerns resolved.

Information Technology

NSCB's Mobile Application Currently in Development Stage

The launch of the Board's new licensing and enforcement database system caused the initial mobile application to become inoperable. However, the Board has been working closely with its vendor on the design and configuration of an updated mobile application that will provide end-users the ability to access mobile-friendly license information, search for contractors, and report unlicensed activity directly to the Board.



Management Solution Installed on All Mobile Devices

With the growing capability and use of mobile technology services in the Board's day-to-day operations, Information Technology staff installed mobile management solutions on all staff devices in an effort to improve the management and security functions of Board equipment.

Public Information Office

Messaging Strategy Outlined for FY 2018-19

At the start of the fiscal year, the Public Information Office developed a comprehensive messaging and outreach strategy that focused on ways to expand and maximize all media opportunities available to the Board. These initiatives also called out public events, partnering suggestions, and innovative initiatives that would keep the Board's communication proactive and progressive.

Continuing Solar Scam, Best Practice Discussions



Solar construction is still a hot topic in Nevada. During the quarter, the PIO and Enforcement staff met with utility providers to discuss ongoing scams and false advertising that was taking place regarding solar requirements, rebates, etc. The meetings provided an opportunity to educate energy providers about the Board's complaint and license verification services, while also sharing information about related scams taking place in the industry. The Board also produced a solar brochure that seeks to provide homeowners with best practices and general guidelines when considering solar for their home. Lastly, the PIO participated in the 'Shades of Green' radio program, which provided a forum to connect with homeowners and discuss the importance of verifying licensure as well as ways to protect oneself from scams and unscrupulous activities.



5th Annual Contractor Training Day Offers Focused Discussions

This year's Contractor Training Day event featured some of the leading experts on workforce development initiatives in the State of Nevada, including representatives from the Governor's Office of Workforce Innovation (OWINN), Department of Education, Training, and Rehabilitation (DETR), contractor associations, and higher education. Additionally, the Board welcomed Paul Greenwood, the former Deputy District Attorney of San Diego who served as lead elder abuse prosecutor, to the event as he shared valuable information with contractors about the ways elder abuse can occur during their normal course of business. He concluded by sharing some best practices contractors should implement in their staff training programs, including identifying warning signs of elder abuse, proactive solutions to meet the needs of the elderly, and actions to avoid.

MEDIA & COMMUNITY OUTREACH

The PIO helped to coordinate media opportunities focused on disaster preparedness, unlicensed contracting activities, and consumer protection initiatives, as well as conducting a senior presentation regarding protection from construction-related scams. A webinar was given to the Las Vegas Metro Chamber of Commerce regarding the Board's services and resources, and staff in Reno attended the Nevada Builders Alliance Construction Career Day.

Looking Forward - Quarter 2

Over the next few months, our Board will remain committed to its efforts to protect the public, provide excellent customer service to those we interact with on a daily basis, and communicate the valuable resources available to those in need.

Additionally, our strategic initiatives will keep us focused on:

- Identifying opportunities to improve and update licensure exam program;
- Developing alternative remedies for compliance violations to be used other than fines;
- Updating website content and making recommendations for enhanced organization of material; and
- Identifying opportunities to engage in efforts to promote the Board's mission with legislative representatives, government officials and the public.

Our journey is far from complete this year, but exciting days are ahead. Continue to follow significant updates on the Board through our Facebook page, website homepage, or by subscribing to our news lists, which will notify you of upcoming meetings, press releases and consumer alerts, and other valuable information!



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