



NSCB News Release



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FRAUD INVESTIGATIONS RESULT IN FELONY CHARGES; **BOARD ENCOURAGES HOME AND BUSINESS OWNERS TO BE VIGILANT**

Henderson, Nev. – The Nevada State Contractors Board initiated three fraud investigations in 2016 against Greg Barstow after information received by the Board alleged Barstow was committing various fraudulent acts, including diversion of funds, embezzlement, and contracting without a license. Three cases were submitted to the Clark County District Attorney’s Office for felony prosecution.

In two of the Board’s cases, Barstow was charged with two felonies for obtaining money under false pretenses, one gross misdemeanor for the use of a false permit or license, and two misdemeanors for engaging in and/or submitting construction bids without a proper license. At the hearing, Barstow pleaded guilty to contracting without a license. The remaining charges were dismissed as long as Barstow stays out of trouble. He has since been indicted for felony theft by the Clark County District Attorney’s Office stemming from the Board’s third investigative case, and will be arraigned in court in the near future. Barstow has paid back \$10,000 in restitution as well as investigative costs incurred by the Contractors Board.

Barstow was a former employee of a legitimate licensed contractor; however, he acted on the side as the owner of a fictitious company “Diamond Restoration.” Barstow’s alleged offenses involved both residential and commercial projects, in which he falsified bid documents to divert materials to other projects. Additionally, Barstow misled customers into thinking they were hiring a licensed contractor by having them sign contracts, which included a licensed contractor’s number and name – however the contact and address of the letterhead were altered to reflect Barstow’s personal information. None of the licensed contractors whose information was used were aware of the scheme, nor did they authorize Barstow to act on their behalf.

“With commercial and residential construction projects gaining momentum throughout the state, it is becoming ever more important for property and business owners to go the extra step in verifying their contractor is properly licensed and is who they say they are,” expressed NSCB Executive Officer Margi A. Grein. “These situations are most unfortunate because the public is misled into thinking they are hiring a licensed contractor, when in fact they are not.”

The Nevada State Contractors Board wishes to provide the public with additional steps they can take to prevent the hiring of unlicensed contractors and being taken advantage of through schemes such as Barstow's.

- When verifying a contractor's license information on the Board's website, ensure the contact information for the business matches what is on the contract or bid.
- Call the business number as reflected on the Board's website and verify the individual representing the company is a current employee of the company. If a contract has already been initiated, ensure the company has you down as a new customer and is aware of your project.
- Always be concerned if your contractor presents you with more than one initial contract to sign from more than one company.

RED FLAG WARNINGS

- When a contractor insists payments be made directly to them as an individual and not the company itself.
- If a contractor indicates they are "working under someone else's license," it is probable to assume they are using someone else's license illegally. In such cases, contact the Contractors Board's Unlicensed Contractor Hotline at (702) 486-1160.
- Demands for cash payments only or large deposits upfront.
- Inability for the homeowner to verify the individual representing a company is who he says he is

Taking a few extra steps in the process to vet a contractor can be the difference between receiving the Board's protections and expanded options for recourse, or foregoing such protections and having to engage in civil litigation for recovery of damages incurred.

The Board wishes to remind the public it is a free consumer resource and staff is available to answer questions from the public concerning construction-related matters Monday-Friday 8:00 a.m. to 5:00 p.m. Additional steps consumers can take to verify their contractor is properly licensed and in good standing with the Board include:

- Asking friends, family and neighbors for the names of contractors they have used and trust, yet still verify those contractor licenses on the Board's website or by calling the office (702) 486-1100.
- Obtain at least three bids to compare costs for service and select the contractor that best meets your needs.
- Insist on a written contract that details the work to be done, the exact materials to be used, start and completion dates, warranties and the amount and timing of payments.
- Be skeptical of unsolicited approaches for repair work, free inspections and great deals using leftover materials.
- Never let payments exceed the value of work actually performed.

Always contact the Board for assistance or questions before entering into a contract with a licensed contractor.

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