



# NEVADA STATE CONTRACTORS BOARD

9670 GATEWAY DRIVE, SUITE 100, RENO, NEVADA, 89521 (775) 688-1141 FAX (775) 688-1271, INVESTIGATIONS (775) 688-1150  
2310 CORPORATE CIRCLE, SUITE 200, HENDERSON, NEVADA, 89074, (702) 486-1100 FAX (702) 486-1190, INVESTIGATIONS (702) 486-1110  
www.nscb.nv.gov

## LICENSE APPLICATION RESIDENTIAL RECOVERY FUND ASSESSMENT

**Residential Recovery Fund:** Chapter 624 of NRS was amended by the Nevada State Legislature in 1999 by enacting a residential recovery fund. Effective October 1, 1999, each residential contractor is required to pay an assessment to the Fund at time of issuance of the license, and with the annual renewal of the license. Under the Act, if the owner / occupier of a single family residence is damaged financially by a project performed on their residence pursuant to a contract, including construction, remodeling, repair or other improvements, and the damage resulted from certain specific violations of Nevada law by a licensed Nevada contractor, the homeowner may apply for payment from the recovery fund.

This Fund is created from assessments of contractors who participate in the construction, remodeling, repair or improvement to residential housing.

**Who Must Register With The Fund:** Each licensee who will be providing "qualified services" must register with the Fund by submitting the required assessment. "Qualified services" are defined below. Each licensee must either register with the Fund or certify that he is exempt from registration.

**Residential Contractor:** NRS 624.450 defines a residential contractor as a contractor who is licensed pursuant to this chapter (NRS 624) and who contracts with the owner of a single family residence to perform qualified services.

**Qualified Services:** NRS 624.440 defines qualified services as any construction, remodeling, repair or improvement performed by a residential contractor on a single family residence occupied by the owner of the residence.

**Biennial Assessment: The assessment on each license is based on the monetary license limit.**

1. If your license limit is \$1,000,000 or less you are required to pay a biennial assessment of \$80.
2. If your license limit is more than \$1,000,000 but not unlimited you are required to pay a biennial assessment of \$200.
3. If your license limit is "Unlimited" you are required to pay a biennial assessment of \$400.

**You are required to submit the assessment amount listed above based on the approved monetary limit, unless otherwise exempt. Before this license can be issued, you must submit the residential recovery fund amount assessed, or the completed Certificate of Exemption.**

### CERTIFICATE OF EXEMPTION FROM RESIDENTIAL RECOVERY FUND AFFIDAVIT OF NON-RESIDENTIAL CONTRACTOR

**Applicant / Licensee:** \_\_\_\_\_  
(Use legal business name)

**Email Address:** \_\_\_\_\_

I being first duly sworn declare under penalty of perjury as follows:

- I am authorized to sign this Certificate of Exemption from Registration on behalf of the above named licensee.
- I hereby certify that the above named licensee will NOT be providing qualified services, as defined in NRS 624.440, and is not required to register with the Residential Recovery Fund as set forth in the provisions of NRS 624.
- I acknowledge that false certification of exemption from registration and the Fund may result in the loss of the above named licensee's license and possible criminal prosecution.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature of Principal or Owner)

\_\_\_\_\_  
(Print Name)

**This Affidavit Must Be Notarized.**  
Subscribed and sworn to before me

This \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for:

County of \_\_\_\_\_ State of \_\_\_\_\_

**For Office Use Only:**

**License #** \_\_\_\_\_

## **NOTICE REGARDING ENACTMENT OF RESIDENTIAL CONSTRUCTION RECOVERY FUND**

A RESIDENTIAL RECOVERY FUND WAS ESTABLISHED BY THE 1999 SESSION OF THE NEVADA LEGISLATURE. AS OF OCTOBER 1, 1999, EACH RESIDENTIAL CONTRACTOR IS REQUIRED TO PAY AN ASSESSMENT WHEN THEY RECEIVE THEIR CONTRACTORS LICENSE, AND AT THE TIME OF LICENSE RENEWAL. FOLLOWING ARE ANSWERS TO SOME COMMONLY ASKED QUESTIONS REGARDING THE RECOVERY FUND AND HOW IT MAY AFFECT YOU.

THE LAW MAY BE FOUND IN NEVADA REVISED STATUES, CHAPTER 624.400 – 560.

### **WHAT IS THE RECOVERY FUND?**

*THE RECOVERY FUND OFFERS PROTECTION FOR NEVADA HOMEOWNERS WHO CONTRACT WITH LICENSED CONTRACTORS AND, UNDER CERTAIN CONDITIONS, ARE HARMED BY THE FAILURE OF THAT CONTRACTOR TO PROPERLY PERFORM QUALIFIED SERVICES.*

### **WHEN CAN HOMEOWNERS START SUBMITTING CLAIMS?**

*COMPLAINTS OR CLAIMS BY NEVADA HOMEOWNERS SEEKING RECOVERY FROM THE FUND MAY BE FILED WITH THE BOARD ON OR AFTER JULY 1, 2001.*

### **WHO CREATED THE RECOVERY FUND?**

*THE RECOVERY FUND LAW WAS ENACTED BY THE 1999 SESSION OF THE NEVADA LEGISLATURE.*

### **HOW IS THE RECOVERY FUND ACCOUNT FUNDED?**

*RESIDENTIAL CONTRACTORS MUST PAY AN ANNUAL ASSESSMENT TO THE STATE CONTRACTORS BOARD BASED ON THE MONETARY LICENSE LIMIT.*

### **HOW MUCH WILL IT COST?**

*\$80 BIENNIALLY IF THE LICENSE LIMIT IS NOT MORE THAN \$1,000,000  
\$200 BIENNIALLY IF THE LICENSE LIMIT IS MORE THAN \$1,000,000 BUT LIMITED  
\$400 BIENNIALLY IF THE LICENSE IS UNLIMITED*

### **HOW IS RESIDENTIAL CONTRATOR DEFINED?**

*NRS 624.450 DEFINES A RESIDENTIAL CONTRACTOR AS A CONTRACTOR WHO IS LICENSED PURSUANT TO NRS 624 AND WHO CONTRACTS WITH THE OWNER OF A SINGLE FAMILY RESIDENCE TO PERFORM QUALIFIED SERVICES.*

### **WHAT DOES THE TERM “QUALIFIED SERVICES” MEAN?**

*NRS 624.440 DEFINES QUALIFIED SERVICES AS ANY CONSTRUCTION, REMODELING, REPAIR OR IMPROVEMENT PERFORMED BY A RESIDENTIAL CONTRACTOR ON A SINGLE FAMILY RESIDENCE OCCUPIED BY THE OWNER OF THE RESIDENCE.*

### **WHAT IF I DON'T PERFORM RESIDENTIAL CONSTRUCTION?**

*A LICENSEE WHO DOES NOT PERFORM QUALIFIED SERVICES AS DEFINED IN NRS 624.440, MUST SUBMIT A COMPLETED CERTIFICATE OF EXEMPTION.*



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