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Governor

State Of Nevada



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STATE CONTRACTORS BOARD

NOTICE OF INTENT TO ACT UPON A REGULATION

Notice of Workshop and Hearing for the Adoption, Amendment or Repeal of Regulations
of
The State of Nevada Contractors Board

The State of Nevada Contractors Board (Board) will conduct a public workshop on Thursday, November 2, 2017 at 9:00 a.m. and a public hearing on Wednesday, November 8, 2017 at 9:00 a.m. The workshop and hearing will be video-conferenced between the Board's Henderson office located at 2310 Corporate Circle, Suite 200, Henderson, Nevada 89074 and the Reno office located at 5390 Kietzke Lane, Suite 102, Reno, Nevada, 89511.

The following information is provided pursuant to the requirements of NRS 233B.060 and 233B.0603:

1. The need for and purpose of the proposed regulation or amendment.

The purpose of the proposed regulation is to amend Chapter 624 of the Nevada Administrative Code to comply with the provisions of SB 69 which require the agency to adopt regulation to provide for licensure by endorsement.

2. Either the terms or the substance of the regulations to be adopted, amended or repealed or a description of the subjects and issues involved.

The proposed regulation requires the agency to determine if the requirements of another state or territory for licensing contractors are substantially equivalent to such requirements in this State; requiring the Board to maintain and publish a list of such states that have substantially equivalent requirements; authorizing the Board to approve certain out-of-state experience possessed by or examinations taken and passed by an applicant; requiring the Board to waive experience requirements in certain situations; requiring the Board to waive examination requirements in certain situations; provides for the withdrawal of applications not completed within six months. A copy of the proposed regulation may be obtained by visiting our website at www.nscb.nv.gov or writing to the Board's offices.

3. The estimated economic effect of this proposed regulation on the business which it is to regulate and on the public.

(a) Adverse and beneficial effects.

The proposed regulation should not result in any adverse economic impact since it does not establish any additional requirements for businesses seeking licensure. The regulation should have a beneficial economic impact since it seeks to remove barriers to licensure by providing licensure by endorsement for applicants licensed on other states where the requirements are substantially similar to those in Nevada.

(b) Both immediate and long-term effects.

The immediate and long term effect of implementing the provisions of the proposed regulation would provide for the removal of barriers to licensure by establishing programs that provide licensure by endorsement.

4. **The estimated cost to the agency for the enforcement of the proposed regulation.**
Cost to the agency should be minimal.
5. **A description of and citation to any regulations of other states or local governmental agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication and overlapping is necessary.**
The proposed regulation does not overlap or duplicate any regulation.
6. **If the regulation is required pursuant to federal law, a citation and description of the federal law.**
Does not apply.
7. **If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.**
Does not apply.
8. **Whether proposed regulation establishes a new fee or increases an existing fee.**
The regulation does not establish a new fee or increase an existing fee.

Persons wishing to comment upon the proposed action of the Board may appear at the scheduled public workshop or may address their comments, data, views or arguments, in written form to the Executive Officer of the Nevada State Contractors Board, 2310 Corporate Circle, Suite 200, Henderson, Nevada 89074 and the Reno office located at 5390 Kietzke Lane, Suite 102, Reno, Nevada, 89511. Written submissions must be received by the Board five days prior to the scheduled workshop. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the board may proceed immediately to act upon any written submissions.

A copy of this notice and the regulations to be adopted, amended or repealed will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notices and the regulation to be adopted will be available at the State Contractors Board 2310 Corporate Circle, Suite 200, Henderson, Nevada 89074 and the Reno office located at 5390 Kietzke Lane, Suite 102, Reno, Nevada, 89511. In all counties in which an office of the Board is not maintained, a copy of this notice and the text of the proposed regulation will also be available for public inspection and copying at the main public library during business hours. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if deemed necessary.

Upon adoption of any regulation, the board, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice has been mailed to all persons on the agency's mailing list of administrative regulations and posted at the following locations:

Washoe County Court House
Washoe County Library
Reno City Hall
Paseo Verde Library
Sawyer State Building
Clark County Library
Offices of the State Contractors Board in Reno and Henderson
The Board's website www.nscb.nv.gov
State of Nevada Public Notice Website

Dated: September 29, 2017

**PROPOSED REGULATION OF THE
STATE CONTRACTORS' BOARD**

LCB File No. R042-17

August 22, 2017

EXPLANATION – Matter in *italics* is new; matter in brackets [~~omitted material~~] is material to be omitted.

AUTHORITY: §§1 and 3, NRS 624.100 and 624.240; §2, NRS 624.100, 624.240, 624.250 and 624.265; §4, NRS 624.100 and 624.265.

A REGULATION relating to contractors; requiring the State Contractors' Board to determine if the requirements of another state or territory for licensing contractors are substantially equivalent to such requirements in this State; requiring the Board to maintain and publish a list of such states that have substantially equivalent requirements; authorizing the Board to approve certain out-of-state experience possessed by or examinations taken and passed by an applicant; requiring the Board to waive experience requirements in certain situations; requiring the Board to waive examination requirements in certain situations; requiring an applicant to include with his or her application for a contractor's license fingerprint cards and an authorization to conduct a background investigation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the State Contractors' Board to make reasonable regulations. (NRS 624.100) Existing law additionally authorizes the Board to adopt reasonable regulations to: (1) investigate, classify and qualify an applicant for contractors' licenses by written or oral examination, or both; and (2) issue contractors' licenses to qualified applicants. (NRS 624.240) Existing law further requires an applicant, in order to obtain or renew a contractor's license, to submit to the Board an application that contains any information requested by the Board to ascertain the background, financial responsibility, experience, knowledge and qualifications of the applicant. (NRS 624.250)

Section 1 of this regulation requires the Board to determine if the requirements for licensing a contractor in another state or territory, including the District of Columbia, are substantially equivalent to the requirements in this State for licensing a contractor. If the Board determines that the requirements in another state or territory are substantially equivalent to the requirements in this State, **section 1** then requires the Board to: (1) maintain a list of all such

states or territories; and (2) publish this list on the Internet website maintained by the Board. **Section 1** further authorizes the Board to approve the experience of or an examination taken and passed in such other state or territory by an applicant.

Section 2 of this regulation requires the Board to waive the requirement that an application for a contractors' license include four notarized certificates supporting the experience of an applicant if the applicant: (1) has at least 4 years of experience that is approved by the Board pursuant to **section 1** as a contractor licensed in another state or territory; (2) has not had a license revoked, modified, limited, suspended or otherwise disciplined in another state or jurisdiction; (3) does not have any disciplinary actions or proceedings pending in another state or jurisdiction; and (4) provides a completed application, including a verification from such other state or territory from which the applicant has a valid license.

Section 3 of this regulation requires the Board to waive any examination required in this State for licensing a contractor if the applicant: (1) has taken and passed an examination that is offered by a state or territory and is approved by the Board pursuant to **section 1** or has taken and passed an examination that is accredited by the National Association of State Contractors Licensing Agencies; and (2) provides a completed application, including verification that the applicant has taken and passed such an examination.

Section 2 requires the Board to deem an application withdrawn if the Board has not received within 6 months after the date the application was submitted to the Board all the information required to complete an application.

Existing law requires an applicant for a contractor's license, upon the request of the Board, to submit to the Board: (1) completed fingerprint cards; and (2) a form authorizing an investigation of the applicant's background and the submission of the fingerprints to the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation. (NRS 624.265) **Section 2** requires an applicant to include in an application such fingerprint cards and the form authorizing an investigation of the applicant's background. **Section 4** of this regulation makes conforming changes.

Section 1. Chapter 624 of NAC is hereby amended by adding thereto a new section to read as follows:

1. The Board will:

(a) Determine if the requirements for licensing contractors in another state or territory of the United States, or the District of Columbia, are substantially equivalent to the requirements in this State for licensing contractors;

(b) If the Board determines pursuant to paragraph (a) that another state or territory, or the District of Columbia, has requirements for licensing contractors that are substantially equivalent to the requirements for licensing contractors in this State, maintain a list of all such other states or territories, or the District of Columbia; and

(c) If the Board maintains a list pursuant to paragraph (b), publish the list required pursuant to paragraph (b) on the Internet website maintained by the Board.

2. If the Board determines pursuant to subsection 1 that another state or territory of the United States, or the District of Columbia, requires an applicant or his or her qualified employee to obtain experience to be licensed as a contractor in such other state or territory, or the District of Columbia, the Board may approve the experience of the applicant or his or her qualified employee that is obtained in such other state or territory of the United States, or the District of Columbia.

3. If the Board determines pursuant to subsection 1 that another state or territory of the United States, or the District of Columbia, requires an applicant or his or her qualified employee to take and pass an examination to be licensed as a contractor in such other state or territory, or the District of the Columbia, the Board may approve the examination taken and passed by the applicant or his or her qualified employee in such other state or territory of the United States, or the District of Columbia.

Sec. 2. NAC 624.590 is hereby amended to read as follows:

624.590 1. A person must make a separate application for each classification of license in which the applicant desires to conduct business.

2. The Board will not consider an incomplete application. Each application must include, without limitation:

(a) All applicable fees;

(b) ~~Four~~ *Except as otherwise provided in subsection 3, four* notarized certificates supporting the experience of the applicant or his or her qualified employee on the form provided by the Board;

(c) All information which is required to be confirmed by a bank;

(d) The financial statement required by NAC 624.593; ~~and~~

(e) *Pursuant to subsection 2 of NRS 624.265, a completed set of fingerprint cards and a form authorizing an investigation of the applicant's background and the submission of the fingerprints to the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation; and*

(f) Any other information required by the Board.

3. *The Board will waive the requirements set forth in paragraph (b) of subsection 2 if the applicant or his or her qualified employee:*

(a) *Has a minimum of 4 years of experience that is approved by the Board pursuant to section 1 of this regulation as a contractor licensed in good standing in the endorsing state;*

(b) *Has not been investigated for misconduct as a contractor or had a license revoked, modified, limited, suspended or otherwise disciplined by the endorsing state or any other jurisdiction in which he or she has been licensed;*

(c) Does not have any disciplinary actions or proceedings pending against the applicant or his or her qualified employee by a licensing body in the endorsing state or any other jurisdiction; and

(d) Provides a completed application pursuant to subsection 2 on the form provided by the Board that includes, without limitation, the endorsing state verifying on a form provided by the Board that the applicant or his or her qualified employee has a valid license.

4. The Board shall deem an application to be withdrawn if the Board has not received all the information and fees required to complete the application within 6 months after the date the application is submitted to the Board. If an application is deemed to be withdrawn pursuant to this subsection or if an applicant or his or her qualified employee otherwise withdraws an application, the Board may not issue a license to the applicant or his or her qualified employee unless the applicant or his or her qualified employee submits a new application and pays the required fees.

5. As used in this section ~~["person"]~~ :

(a) "Endorsing state" means any state or territory in the United States, or the District of Columbia, that the Board determines to have requirements for licensing contractors which are substantially equivalent to the requirements for licensing contractors in this State pursuant to section 1 of this regulation.

(b) "Person" means:

~~[(a)]~~ *(1) A natural person;*

~~[(b)]~~ *(2) A corporation, partnership, limited partnership or limited-liability company that is organized pursuant to the laws of this State; or*

~~(e)~~ (3) A foreign corporation, foreign partnership, foreign limited partnership or foreign limited-liability company that is authorized to do business in this State.

Sec. 3. NAC 624.600 is hereby amended to read as follows:

624.600 1. If the Board requires an applicant or his or her qualified employee to take an examination, he or she must take and pass an examination administered by an independent testing service.

2. *The Board will waive the examination if the applicant or his or her qualified employee:*

(a) Has taken and passed an examination for licensing contractors that is:

(1) Offered by an endorsing state and approved by the Board pursuant to section 1 of this regulation; or

(2) Accredited by the National Association of State Contractors Licensing Agencies, if the Board determines that the examination for licensing contractors that is accredited by the National Association of State Contractors Licensing Agencies is substantially equivalent to the examination required pursuant to subsection 1; and

(b) Provides a completed application pursuant to NAC 624.590 on the form provided by the Board that includes, without limitation:

(1) The endorsing state verifying on a form provided by the Board that the applicant or his or her qualified employee has taken and passed an examination that is approved by the Board pursuant to section 1 of this regulation; or

(2) The transcript of an examination that is accredited by the National Association of State Contractors Licensing Agencies which shows that the applicant or his or her qualified employee has taken and passed such an examination.

3. The Board ~~{will}~~ *may* waive the examination if it is satisfied that the experience and qualifications of the applicant or qualified employee justify granting the license without examination.

~~{3-}~~ 4. Following any waiting period established by the independent testing service, an applicant or the qualified employee may retake the examination. If the applicant or qualified employee fails a second examination, he or she may take it a third time. The person qualifying for the applicant must take and pass the examination within 6 months after the filing of the application. If he or she fails 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.

5. *As used in this section, “endorsing state” means any state or territory in the United States, or the District of Columbia, that the Board determines to have requirements for licensing contractors which are substantially equivalent to the requirements for licensing contractors in this State pursuant to section 1 of this regulation.*

Sec. 4. NAC 624.681 is hereby amended to read as follows:

624.681 Any fingerprint cards required pursuant to subsection 2 of NRS 624.265 *and paragraph (e) of subsection 2 of NAC 624.590* must be accompanied by a cashier’s check made payable to the “Nevada Highway Patrol” for an amount equal to the sum of the amounts charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprint cards.