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STATE CONTRACTORS BOARD

NOTICE OF INTENT TO ACT UPON A REGULATION

LCB File No. R021-21

Notice of 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 hearing on Thursday, January 13, 2022 at 8:30 a.m. The hearing will be held via Zoom Webcast. The purpose of the hearing is to receive comments from all interested persons regarding the proposed amendments to regulation LCB File No. R021-21.

DATE: *January 13, 2022*
TIME: **8:30 AM**
LOCATION: **Tele-meeting via Zoom**

Join Zoom Meeting:

<https://zoom.us/j/97244347579?pwd=R3gxZ0Nrdy9LVCtneGJuQUxRWJyQT09>

Meeting ID: 972 4434 7579

Passcode: 894725

Dial by your location:

+1 669 900 6833 US (San Jose)

Find your local number: <https://zoom.us/u/ag4OkNxMJ>

A Zoom connection for the hearing will be available at both offices of the Board for persons who are unable to attend or participate remotely. Interested persons can attend at either location: 8400 West Sunset Road, Suite 150, Las Vegas, NV 89113 or 5390 Kietzke Lane, Suite 102, Reno, NV 89511. Participants are asked to mute their computer audio until called upon. Please silence cell phones and limit disruptions to the hearing.

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 Nevada State Contractors Board proposes changes to an existing regulation based upon the passage of AB 330(2021). The proposed change affects NAC 624.590 and changes the regulation to match the statutory changes.

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 Either the terms or the substance of the regulations to be adopted, amended or repealed or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 purpose of the proposed regulation is to amend NAC 624.590 to grant credit toward qualifications to applicants as mandated by the passage of AB 330 during the 2021 legislative session. The regulation also makes minor changes to NAC 624.640 related to display of license certificates and repeals 624.678 in regards to duplicate licenses. 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 regulation should not result in any adverse economic effect.

(b) Both immediate and long-term effects.

There is no immediate or long-term economic effect.

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 Nevada State Contractors Board may appear at the scheduled public hearing via Zoom Webcast or may address their comments, data, views or arguments, in written form to the Executive Officer of the Nevada State Contractors Board at 2310 Corporate Circle, Suite 200, Henderson, Nevada, 89074 until December 15, 2021 or 8400 West Sunset Road, Suite 150, Las Vegas, NV 89113 after December 15, 2021, and the Reno office located at 5390 Kietzke Lane, Suite 102, Reno, Nevada, 89511 or by email at PublicComment@nscb.state.nv.us. Written submissions must be received prior to January 8, 2022. If no one appears who are directly affected by the proposed regulation, or request time to make an oral presentation, the Nevada State Contractors 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 until December 15, 2021 or 8400 West Sunset Road, Suite 150, Las Vegas, NV 89113 after December 15, 2021, and the Reno office located at 5390 Kietzke Lane, Suite 102, Reno, Nevada, 89511. 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:

Nevada State Contractors Board – Reno Office
Nevada State Contractors Board – Henderson Office
Nevada State Contractors Board – Internet Website
Nevada Public Notice Website

Dated: December 2, 2021

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

LCB File No. R021-21

October 27, 2021

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

AUTHORITY: § 1, NRS 624.100 and section 1 of Assembly Bill No. 330, chapter 360, Statutes of Nevada 2021, at page 2156; §§ 2 and 3, NRS 624.100.

A REGULATION relating to contractors; authorizing the State Contractors' Board to grant credit toward certain qualifications for licensure as a contractor to applicants who have successfully completed certain training programs for occupational, vocational, career, trade or technical education; revising provisions governing the provision of proof of licensure as a contractor; eliminating the requirement for the Board to issue a duplicate license under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law: (1) provides that a person who, in secondary or postsecondary education, completes a training program for occupational, vocational, career, trade or technical education and receives a certificate for the completion of that program is eligible to receive equivalent credit toward the satisfaction of the requirements for the issuance of certain occupational or professional licenses; and (2) requires certain regulatory bodies that license and regulate an occupation or profession in this State to adopt regulations to effectuate the receipt of this credit. (Section 1 of Assembly Bill No. 330, chapter 360, Statutes of Nevada 2021, at page 2156) Under existing law, in addition to certain other requirements, an applicant for licensure as a contractor must have had, within the 15 years immediately preceding the filing of the application for licensure, at least 4 years of experience as a journeyman, foreman, supervising employee or contractor in the specific classification in which the applicant is applying for licensure. (NRS 624.260) **Section 1** of this regulation: (1) authorizes the State Contractors' Board to grant credit of not more than 3 years toward this experience requirement to an applicant who has successfully completed a training program for occupational, vocational, career, trade or technical education if the training program is provided in secondary or postsecondary education, is approved by the State Contractors' Board and the State Board of Education and provided training in a discipline substantially similar to the classification in which the applicant is applying for licensure; and (2) requires an applicant seeking to obtain this credit to submit a certified copy of the certificate or degree provided to the applicant upon completion of the training program.

Existing regulations require a person licensed as a contractor to prominently display his or her contractor's license at his or her chief place of business and to exhibit his or her pocket

card to an interested person. (NAC 624.640) **Section 2** of this regulation replaces this requirement with a requirement to provide proof of licensure to any interested person.

Section 3 of this regulation eliminates the requirement for the Board to issue a duplicate license to any person licensed as a contractor who certifies that his or her license has been lost or destroyed. (NAC 624.678)

Section 1. 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) Except as otherwise provided in subsection 3, one *or more* of the following types of documentation supporting the experience of the applicant or his or her qualified employee:

(1) Four or more certificates of work experience completed on a form provided by the Board;

(2) A current certification as a master issued by a governmental agency in a discipline substantially similar to the requested classification; ~~or~~

(3) Proof of transferable military experience and training; *or*

(4) If the applicant is seeking credit pursuant to subsection 4 toward the experience requirement set forth in subsection 6 of NRS 624.260, a certified copy of the certificate of completion or degree provided to the applicant upon the successful completion of a training program described in subsection 4;

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

(d) The financial statement required by NAC 624.593;

(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 NAC 624.615 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. *Pursuant to section 1 of Assembly Bill No. 330, chapter 360, Statutes of Nevada 2021, at page 2156, the Board may grant not more than 3 years of credit toward the satisfaction of the experience requirement set forth in subsection 6 of NRS 624.260 to an applicant who has successfully completed a training program for occupational, vocational, career, trade or technical education if the training program:*

(a) Is provided in secondary or postsecondary education;

(b) Is approved by the Board and the State Board of Education; and

(b) Provided training in a discipline substantially similar to the classification in which the applicant is applying for licensure.

5. 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.

~~15-1~~ 6. As used in this section:

(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 NAC 624.615.

(b) "Person" means:

(1) A natural person;

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

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

Sec. 2. NAC 624.640 is hereby amended to read as follows:

624.640 1. If a licensee bids or contracts outside the scope of his or her license or exceeds the monetary limit placed on the license, the bid or contract is void.

2. Each licensee shall ~~{prominently display his or her unexpired license or licenses in the licensee's chief place of business and shall exhibit his or her pocket card}~~ *provide proof of licensure* to any interested person.

3. If any change occurs in a licensee's address or personnel which affects the accuracy of the statements in the application upon which his or her license is based, the licensee shall report the change in writing to the Board within 30 days after the change occurs.

4. If a license issued by the Board was based in part on the employment of a particularly qualified person, the licensee must continue to employ such a person in order to retain the license.

5. Each licensee shall include in all bids the licensee submits or contracts he or she enters into for construction work within this State, the number of his or her license and any monetary limit placed upon the license.

6. Each licensee shall ascertain that each person whose bid on a construction project the licensee considers is appropriately licensed.

Sec. 3. NAC 624.678 is hereby repealed.

TEXT OF REPEALED SECTION

624.678 Issuance of duplicate license. (NRS 624.100) The Board will issue a duplicate license to any licensee who certifies that his or her license has been lost or destroyed.

Small Business Impact Statement

Proposed Regulations R021-21

1.0 Overview

The Nevada State Contractors Board (NSCB) proposes changes to an existing regulation based upon the passage of AB 330(2021). The proposed change affects NAC 624.590 and changes the regulation to match the statutory changes.

The Nevada State Contractors Board has determined that the proposed regulation should not have an adverse financial impact upon a small business. The proposed regulation is not expected to negatively impact the formation, operation, or expansion of a small business in Nevada.

2.0 Authority

This small business impact statement is made pursuant to NRS 233B.0608 and complies with the requirements of NRS 233B.0609. As required by NRS 233B.0608(3), this statement identifies the methods used by the agency in determining the impact of the proposed regulation on a small business and provides the reasons for the conclusions of the agency followed by the certification by the person responsible for the agency.

3.0 Background

The Nevada State Contractors Board implements NRS Chapter 624 and has promulgated regulations to assist in the administration of the chapter. Nevada law requires an applicant for a contractor's license to demonstrate the requisite knowledge, skill, training, and experience to merit the grant of a license. AB 330 (2021) provided that some training would satisfy portions of the requirement. The proposed regulatory change matches the new statutory requirement.

As a minor change, the proposed regulation eliminates a licensee's obligation to display a license certificate. Instead, licensees must be able to produce a valid license upon demand.

4.0 Method used to determine no small business impact

Pursuant to NRS 233B.0608, the Nevada State Contractors Board made a concerted effort to determine whether the proposed regulation was likely to: 1) impose a direct and significant economic burden upon a small business, or 2) directly restrict the formation, operation, or expansion of a small business. As a result of this effort, the NSCB determined that there is no impact upon small business as a result of the proposed regulation.

To reach its conclusion, the NSCB considered the scope of the statutory change and narrowly tailored the proposed regulation to address the statutory mandate and the regulatory need. After preparing the regulation, the NSCB recognized that no small business would endure any economic burden related to the expansion of those life experiences that would satisfy the knowledge, skill, training, and experience requirement for obtaining a contractor's license. In fact, the combination of the statute change and the regulation change are likely to reduce barriers to licensure while increasing the public's trust in the competency and integrity of the licensees thereby promoting business formation, operation, and expansion. Further, the elimination of the requirement to display a license certificate in favor of production of proof of licensure upon

demand will reduce burdens upon applicants and licensees.

Ultimately, no adverse economic effects were identified because the proposed regulation does not adversely affect NRS Chapter 624 licensees or those who may seek to become a licensee. These changes should have no impact on small business.

5.0 Certification by Person Responsible for the Agency

I, Margi Grein, Executive Officer of the Nevada State Contractors Board, certify to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and the information contained in this statement was prepared properly and is accurate.

Signature Margi Grein Date 11/29/21