



*Nevada State Contractors Board*

# **STRATEGIC PLAN**

**EXECUTIVE OFFICER REPORT**

**QUARTER FOUR REPORT**

*April - June 2021*

**FY 2020-21 ANNUAL REPORT**

*July 2020 - June 2021*



## **Members of the Board**

Kent Lay, *Chair*

Steve Menzies, *Treasurer*

Margaret Cavin

Bryan Cowart

Joe Hernandez

Jan B. Leggett

Boyd Martin

## **Executive Leadership**

Margi Grein, *Executive Officer*

Nancy Mathias, *Licensing Administrator*

Paul Rozario, *Director of Investigations*

Brian Hayashi, *IT Manager*

Jennifer Lewis, *Public Information Officer*

## **Mission Statement**

The Nevada State Contractors Board (NSCB) is committed to ensuring the integrity and professionalism of the construction industry in Nevada. The NSCB has the responsibility to promote quality construction by Nevada licensed contractors through a regulatory licensing system designed to protect the health, safety and welfare of the public.

members  
require  
and



## Message from the Executive Officer

If the pandemic is teaching us anything, it is our capability as individuals and businesses to persevere through uncharted, unprecedented circumstances. We have overcome obstacles with innovative solutions, adapted in ways we once thought impractical, and are now embracing once temporary changes as the new way of life.

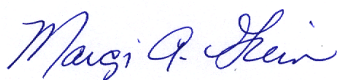
One year ago, businesses were thrown into virtual working environments, forced to reduce resources and services, accelerate safety training for employees, and secure vital equipment to sustain the required health standards to continue operating. Although the construction industry remained an essential service to our state, the stability of the growth that had been building in the months prior to the pandemic became vulnerable almost instantly. The Contractors Board found it difficult to forecast future trends, and our strategic plan was refocused to address the challenges before us.

Through the changes, we realized opportunities to become more flexible with the way we do business. Our goals of automation and enhanced electronic communications and resources were expedited and implemented with customer service in mind. Our investigative process remained an available resource to consumers as we integrated virtual site visits in lieu of in-person meetings. Our new online license application was launched, and our offices finally began welcoming the public back for in-person meetings and general assistance.

We monitored the trends of the construction industry and the impacts the pandemic was having on contractor licensing. At the start of the pandemic, new license applications and related licensing statistics were down significantly, but have rebounded quickly throughout the year. The Board was focused on minimizing delays in the processing of license renewals and applications, and as a result of our efforts and the tenacity of the construction industry, we welcomed 1,484 new licenses throughout the year - a 25% increase from the previous year.

Our Board continued to engage in opportunities to promote construction workforce through focused panel discussions with young adults, disadvantaged populations, and women's groups. We partnered with state and local officials to warn consumers of home repair scams and equip them with the knowledge and resources to prevent them from being victimized during these vulnerable times. We held our annual Training Day and Women in Construction events, as well as our monthly Business Assistance Program virtually to ensure those who were interested had a platform to participate and have their concerns addressed.

Then came our involvement in the 2021 Legislative Session and working diligently to advocate for the interests of the Board, public safety, and integrity of the industry at large. This year may have challenged our way of thinking, but it served as the ultimate reminder that our mission will not be deterred. We will always find a way to carry out the services and operations of this Board and be available to meet the needs of the public and our licensees.

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 - Quarter 4 Highlights

## **2021 Legislative Session Concludes (Goals 1, 2, 3, 5)**

The 2021 Legislative Session came to an end, welcoming the passage of several items of interest to the Nevada State Contractors Board. Among them were Assembly Bill 51, which helped to clarify the eligibility requirements for the Residential Recovery Fund as well as enhance penalties for contractors who fail to inform consumers of their right to file a claim. AB 330 ensures people who receive certificates of completion for certain training programs for occupational, vocational, career, trade or technical education receive credit towards related professional and occupational licenses and certifications. Heightened requirements for residential solar construction and new labor guidelines were also enacted in an effort to protect the public's health, safety, and welfare.

## **NSCB Joins National Effort to Combat Unlicensed Contracting (Goal 2)**

In June, the Nevada State Contractors Board participated in a national coordinated enforcement effort to combat unlicensed construction activities. Spearheaded by the National Association of State Contractors Licensing Agencies, the NSCB conducted 121 site visits resulting in 20 criminal cases for unlawful construction activities, 8 violations of industry regulations, 13 Cease

and Desist Orders, 3 criminal citations, and four violation letters. Eight states including Arizona, California, Florida, Minnesota, Mississippi, North Carolina, and Texas also participated in the initiative with a total of 538 non-compliant construction activities being reported during the June 7 - June 25 time period.

## **New Members of the Commission on Construction Education Receive Training Prior to First Meeting (Goal 5)**

Following the appointment of six new members to the Commission on Construction Education during the third quarter, Executive Officer Grein facilitated a comprehensive training session in May. The training included a new member orientation, an overview of the grant and award process, as well as information on the Open Meeting Law, Ethics Law, and Administrative Procedures Law. The Commission subsequently awarded over \$109,000 in grant funding at its May 13, 2021 meeting to help advance initiatives related to Construction Career Day, training programs for diverse and disadvantaged businesses, as well as technology needs for fiber-optics educational programs.



# Executive Officer - FY 2020-21 Trends

## Consumer Protections Enhanced

During the 2021 Legislative Session, efforts to improve the health, safety, and welfare of the public were highlighted among legislation introduced and discussed. Among these initiatives was Senate Bill 303, which sought to raise consumer protections for homeowners entering into residential solar (photovoltaic) construction projects. Addressing concerns of unlicensed contracting, bait and switch tactics, and misleading sales practices, the Nevada State Contractors Board supported the efforts of bill sponsor Senator Brooks to heighten requirements for residential solar contracts, including restricting down payments to \$1,000 or 10% of the total contract value, whichever is less; requiring certain disclosures of contractors; and making contract terms voidable under certain circumstances. The new law takes effect October 1, 2021 and will provide opportunities for the Contractors Board to partner with state and local officials, community programs, and industry groups to promote the new consumer protection requirements, while also encouraging compliance among Nevada's solar contractors.

## State Partnerships Seek to Unify Efforts Related to Labor Compliance Among Nevada's Contractors, Others

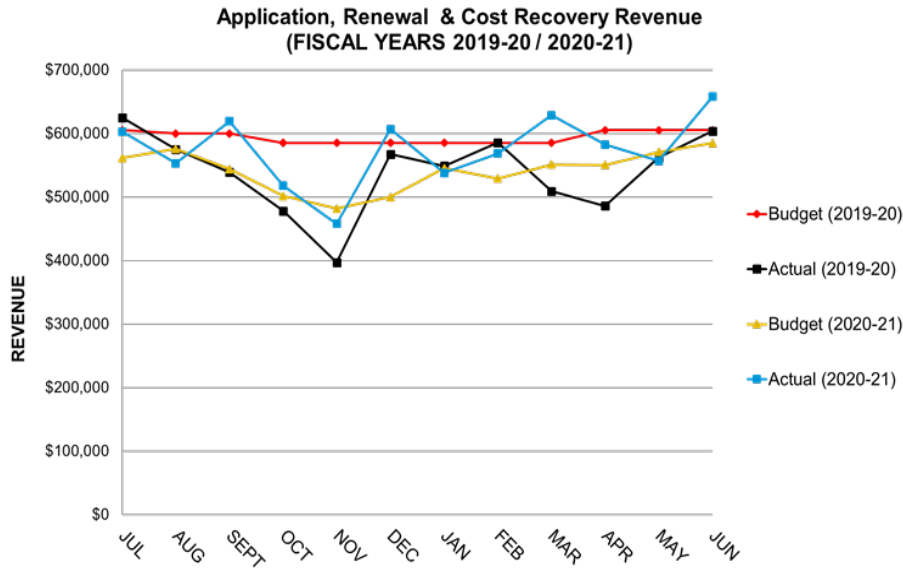
Executive Officer Grein's appointment to the Task Force on Employee Misclassification and her continued engagement in a Joint Agency Labor Task Force with the Nevada Labor Commissioner's Office included several meetings during the year aimed at better understanding the State's labor requirements, agency resources, and enforcement authority of participating entities.

The Task Force on Employee Misclassification has focused much of its efforts on studying Nevada's history of employee misclassification and addressing issues related to independent contractors and labor compliance. An annual report was prepared that highlighted activities and presentations received during the year, including presentations on independent contractors, a review of the Institute for Construction Economic Research report titled, "Payroll Fraud in Nevada's Construction Industry," and holding focused discussions about where employee misclassification is most prevalent - the construction and home health care industries. The Task Force monitored labor-related legislation, such as AB 227, SB 55, and SB 340 throughout the year and will serve as a forum to discuss and coordinate efforts related to the implementation of new laws in the months ahead. Another notable focus area for the Task Force was, and will continue to be, the impact the pandemic is having on Nevada's workforce and the use of independent contractors. Grein will remain engaged on the Task Force through July 1, 2022, at which time her term will be up for reappointment.

# Licensing & Cost Recovery Data Dashboard

Budget (2019-20)	JULY-19	AUG-19	SEPT-19	OCT-19	NOV-19	DEC-19	JAN-20	FEB-20	MAR-20	APR-20	MAY-20	JUN-20	TOTALS
License Renewals	\$370,000	\$365,000	\$365,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$370,000	\$370,000	\$370,000	\$4,310,000
New License Fee	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$900,000
Application 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
License Changes	\$48,333	\$48,333	\$48,334	\$48,333	\$48,333	\$48,334	\$48,333	\$48,333	\$48,334	\$48,333	\$48,333	\$48,334	\$580,000
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	\$6,666	\$6,667	\$6,667	\$6,666	\$6,667	\$6,667	\$6,666	\$6,667	\$6,667	\$6,666	\$6,667	\$6,667	\$80,000
Renewal Inactive Fee	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$60,000
<b>TOTALS</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$604,998	\$600,000	\$600,002	\$584,998	\$585,000	\$585,002	\$584,998	\$585,000	\$585,002	\$604,998	\$605,000	\$605,002	\$7,130,000
Actual (2019-20)	JULY-19	AUG-19	SEPT-19	OCT-19	NOV-19	DEC-19	JAN-20	FEB-20	MAR-20	APR-20	MAY-20	JUN-20	TOTALS
License Renewals	\$419,400	\$337,200	\$361,990	\$284,620	\$249,600	\$383,440	\$374,700	\$384,000	\$309,750	\$370,800	\$435,375	\$370,723	\$4,281,598
New License Fee	\$79,200	\$86,400	\$63,600	\$64,800	\$43,800	\$78,000	\$52,800	\$66,600	\$79,390	\$35,400	\$37,200	\$98,100	\$785,290
Application Fee	\$49,200	\$51,681	\$46,420	\$61,580	\$39,220	\$43,500	\$47,700	\$59,400	\$57,300	\$35,830	\$38,400	\$53,100	\$583,330
License Changes	\$42,106	\$41,545	\$34,875	\$37,975	\$36,900	\$34,325	\$38,175	\$41,800	\$37,350	\$24,950	\$32,575	\$38,400	\$440,975
Investigative Recov Costs	\$21,871	\$46,498	\$20,112	\$20,641	\$17,675	\$17,592	\$24,009	\$24,097	\$14,948	\$12,909	\$13,810	\$28,795	\$262,958
Renewal Late Fees	\$7,575	\$8,100	\$5,438	\$5,550	\$7,125	\$5,175	\$6,975	\$7,350	\$5,925	\$2,475	\$1,125	\$9,525	\$72,338
Renewal Inactive Fee	\$5,400	\$3,300	\$6,450	\$2,700	\$2,400	\$5,400	\$4,200	\$2,100	\$4,220	\$3,300	\$3,300	\$4,930	\$47,700
<b>TOTALS</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$624,751	\$574,723	\$538,884	\$477,866	\$396,720	\$567,432	\$548,559	\$585,347	\$508,883	\$485,664	\$561,785	\$603,572	\$6,474,188
Variance (2019-20)	JULY-19	AUG-19	SEPT-19	OCT-19	NOV-19	DEC-19	JAN-20	FEB-20	MAR-20	APR-20	MAY-20	JUN-20	TOTALS
License Renewals	\$49,400	(\$27,800)	(\$3,010)	(\$65,380)	(\$100,400)	\$33,440	\$24,700	\$34,000	(\$40,250)	\$800	\$65,375	\$723	(\$28,403)
New License Fee	\$4,200	\$11,400	(\$11,400)	(\$10,200)	(\$31,200)	\$3,000	(\$22,200)	(\$8,400)	\$4,390	(\$39,600)	(\$37,800)	\$23,100	(\$114,710)
Application Fee	(\$17,466)	(\$14,987)	(\$20,248)	(\$5,086)	(\$27,447)	(\$23,167)	(\$18,966)	(\$7,267)	(\$9,367)	(\$30,836)	(\$28,267)	(\$13,567)	(\$216,670)
License Changes	(\$6,228)	(\$6,789)	(\$13,459)	(\$10,358)	(\$11,433)	(\$14,009)	(\$10,158)	(\$6,533)	(\$10,984)	(\$23,383)	(\$15,758)	(\$9,934)	(\$139,025)
Investigative Recov Costs	(\$11,462)	\$13,165	(\$13,222)	(\$12,692)	(\$15,658)	(\$15,742)	(\$9,324)	(\$9,236)	(\$18,386)	(\$20,424)	(\$19,523)	(\$4,539)	(\$137,042)
Renewal Late Fees	\$909	\$1,433	(\$1,230)	(\$1,116)	\$458	(\$1,492)	\$309	\$683	(\$742)	(\$4,191)	(\$5,542)	\$2,858	(\$7,663)
Renewal Inactive Fee	\$400	(\$1,700)	\$1,450	(\$2,300)	(\$2,600)	\$400	(\$800)	(\$2,900)	(\$780)	(\$1,700)	(\$1,700)	(\$70)	(\$12,300)
<b>TOTALS</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$19,753	(\$25,277)	(\$61,118)	(\$107,132)	(\$188,280)	(\$17,570)	(\$36,439)	\$347	(\$76,119)	(\$119,334)	(\$43,215)	(\$1,430)	(\$655,812)
Budget (2020-21)	JULY-20	AUG-20	SEPT-20	OCT-20	NOV-20	DEC-20	JAN-21	FEB-21	MAR-21	APR-21	MAY-21	JUN-21	TOTALS
License Renewals	\$389,000	\$403,000	\$374,000	\$331,100	\$312,000	\$330,000	\$375,000	\$360,000	\$381,000	\$380,000	\$399,900	\$415,000	\$4,450,000
New License Fee	\$61,666	\$61,667	\$61,667	\$61,666	\$61,667	\$61,667	\$61,666	\$61,667	\$61,667	\$61,666	\$61,667	\$61,667	\$740,000
Application Fee	\$43,333	\$43,333	\$43,334	\$43,333	\$43,333	\$43,334	\$43,333	\$43,333	\$43,334	\$43,333	\$43,333	\$43,334	\$520,000
License Changes	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$420,000
Investigative Recov Costs	\$20,833	\$20,833	\$20,834	\$20,833	\$20,833	\$20,834	\$20,833	\$20,833	\$20,834	\$20,833	\$20,833	\$20,834	\$250,000
Renewal Late Fees	\$5,750	\$5,750	\$5,750	\$5,750	\$5,750	\$5,750	\$5,750	\$5,750	\$5,750	\$5,750	\$5,750	\$5,750	\$69,000
Renewal Inactive Fee	\$5,725	\$5,875	\$3,325	\$3,525	\$3,075	\$3,225	\$3,625	\$2,425	\$3,325	\$3,625	\$4,225	\$3,025	\$45,000
<b>TOTALS</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$561,307	\$575,458	\$543,910	\$501,207	\$481,658	\$499,810	\$545,207	\$529,008	\$550,910	\$550,207	\$570,708	\$584,610	\$6,494,000
Actual (2020-21)	JULY-20	AUG-20	SEPT-20	OCT-20	NOV-20	DEC-20	JAN-21	FEB-21	MAR-21	APR-21	MAY-21	JUN-21	TOTALS
License Renewals	\$390,150	\$345,000	\$412,565	\$333,555	\$296,100	\$338,530	\$385,200	\$379,125	\$395,250	\$386,325	\$401,888	\$454,235	\$4,517,923
New License Fee	\$83,700	\$79,500	\$75,450	\$73,200	\$50,400	\$70,200	\$53,400	\$64,500	\$76,150	\$54,200	\$51,900	\$74,100	\$806,700
Application Fee	\$47,100	\$56,100	\$56,400	\$50,400	\$52,200	\$56,700	\$43,500	\$59,400	\$82,800	\$71,700	\$49,500	\$66,000	\$691,800
License Changes	\$43,300	\$34,750	\$41,975	\$33,925	\$35,500	\$34,950	\$31,825	\$34,200	\$46,900	\$40,475	\$35,975	\$40,575	\$454,350
Investigative Recov Costs	\$29,381	\$29,229	\$25,207	\$16,227	\$12,201	\$94,094	\$10,275	\$19,808	\$17,056	\$20,957	\$10,402	\$15,766	\$300,603
Renewal Late Fees	\$4,163	\$4,125	\$3,038	\$7,275	\$7,488	\$7,688	\$9,188	\$8,550	\$6,675	\$5,175	\$4,275	\$3,225	\$70,863
Renewal Inactive Fee	\$5,250	\$4,200	\$4,538	\$3,000	\$4,050	\$4,350	\$4,350	\$2,700	\$3,900	\$3,450	\$2,700	\$3,750	\$46,238
<b>TOTALS</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$603,043	\$552,904	\$619,172	\$517,582	\$457,939	\$606,511	\$537,737	\$568,283	\$628,731	\$582,282	\$556,639	\$657,651	\$6,888,475
Variance (2020-21)	JULY-20	AUG-20	SEPT-20	OCT-20	NOV-20	DEC-20	JAN-21	FEB-21	MAR-21	APR-21	MAY-21	JUN-21	TOTALS
License Renewals	\$1,150	(\$58,000)	\$38,565	\$2,455	(\$15,900)	\$8,530	\$10,200	\$19,125	\$14,250	\$6,325	\$1,988	\$39,235	\$67,923
New License Fee	\$22,034	\$17,833	\$13,783	\$11,534	(\$11,267)	\$8,533	(\$8,266)	\$2,833	\$14,483	(\$7,466)	(\$9,767)	\$12,433	\$66,700
Application Fee	\$3,767	\$12,767	\$13,066	\$7,067	\$8,867	\$13,366	\$167	\$16,067	\$39,466	\$28,367	\$6,167	\$22,666	\$171,800
License Changes	\$8,300	(\$250)	\$6,975	(\$1,075)	\$500	(\$50)	(\$3,175)	(\$800)	\$11,900	\$5,475	\$975	\$5,575	\$34,350
Investigative Recov Costs	\$8,548	\$8,396	\$4,373	(\$4,606)	(\$8,632)	\$73,260	(\$10,558)	(\$1,025)	(\$3,778)	\$124	(\$10,431)	(\$5,068)	\$50,603
Renewal Late Fees	(\$1,588)	(\$1,625)	(\$2,713)	\$1,525	\$1,738	\$1,938	\$3,438	\$2,800	\$925	(\$575)	(\$1,475)	(\$2,525)	\$1,863
Renewal Inactive Fee	(\$475)	(\$1,675)	\$1,213	(\$525)	\$975	\$1,125	\$725	\$275	\$575	(\$175)	(\$1,525)	\$725	\$1,238
<b>TOTALS</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$41,736	(\$22,554)	\$75,262	\$16,375	(\$23,719)	\$106,701	(\$7,470)	\$39,275	\$77,821	\$32,075	(\$14,069)	\$73,041	\$394,475

# Licensing - Quarter 4 Snapshot



APRIL TO JUNE 2021			
Licenses (Beginning of Quarter)	17,354		
New Licenses Issued	375		
Licenses Cancelled / Surrendered / Revoked	(191)		
Variance in Suspended/Reinstated Licenses	26		
Licenses (End of Quarter)	17,564		
# of Licenses on Apr 1, 2021	17,354		
# of Licenses on Jun 30, 2021	17,564		
Licenses Gained / Lost	210		
Renewal Revenue Gained / Lost	\$126,000		
<b>*Does not include suspended licenses</b>			
90 DAY RETENTION RATE			
Projected Year-End Retention Rate	April 2021	17,354	
	Cancellations	(191)	(1.09%)
	New Licenses	375	2.14%
	Susp/Reinstated	26	0.15%
	June 2021	17,564	
	Change	210	
<b>3 Month Rolling</b>	<b>% Change</b>	<b>1.20%</b>	

FISCAL YTD LICENSING FEE TOTALS (FY 2020-21)			
LICENSING FEES	4TH QUARTER BUDGET	4TH QUARTER ACTUAL	VARIANCE
License Renewals	1,194,900	1,242,448	47,548
New License Fee	185,000	180,200	(4,800)
Application Fee	130,000	187,200	57,200
License Changes	105,000	117,025	12,025
Invest Recov Costs	62,500	47,125	(15,375)
Renewal Late Fees	17,250	12,675	(4,575)
Renewal Inactive Fee	10,875	9,900	(975)
180 DAY RETENTION RATE			
Projected Year-End Retention Rate	Jan 2021	17,211	
	Cancellations	(774)	(4.41%)
	New Licenses	728	4.14%
	Susp/Reinstated	(347)	(1.98%)
	Jun 2021	17,564	
	Change	353	
<b>6 Month Rolling</b>	<b>% Change</b>	<b>2.01%</b>	



# Licensing - Overview and Comparison

## 4TH QUARTER

## FISCAL YEAR 2020-2021

New License Apps: 627 (45%)  
 Issued Licenses: 375 (76%)  
 License Change Apps: 682 (13%)  
 Placed on Inactive Status: 24 (41%)  
 Voluntary Surrender: 59 (23%)  
 Active Lic. Renewals: 2,001 (10%)  
 Inactive Lic. Renewals: 36 (22%)  
 Online Lic. Renewals: 1,302 (64% all renewals)  
 Licenses Suspended (no bond): 121 (28%)  
 Licenses Revoked: 11 (21%)  
 \*Licenses Cancelled Not Renewed: 121 (61%)  
 Single Project Increase Apps: 37 (32%)  
 8 Application Denial Hearings  
 503 CMS Exams Administered by PSI (141%)  
 538 Trade Exams Administered by PSI (183%)  
 Certificates of Eligibility for Bidders Preference:
 

- 5 new/reinstated requests received
- 93 certificates renewed

 Business Assist. Program Attendance: 41 (24%)  
 7,219 Calls received

New License Apps: 2,326 (17%)  
 Issued Licenses: 1,484 (25%)  
 License Change Apps: 2,682 (2%)  
 Active Licenses: 17,084 (4%)  
 Inactive Licenses: 480 (4%)  
 Placed on Inactive Status: 131 (20%)  
 Voluntary Surrender: 287 (25%)  
 Active License Renewals: 7,784 (11%)  
 Inactive License Renewals: 184 (0%)  
 Online Renewals: 5,127 (64% total licenses)  
 Licenses Suspended (no bond): 632 (4%)  
 Licenses Revoked: 34 (52%)  
 \*Licenses Cancelled Not Renewed: 626 (16%)  
 Single Project Increase Apps: 131 (18%)  
 38 Application Denial Hearings (9%)  
 1 Financial Responsibility Hearings (83%)  
 1,816 CMS Exams Administered by PSI (49%)  
 1,884 Trade Exams Administered by PSI (60%)  
 Certificates of Eligibility for Bidders Preference
 

- 32 new/reinstated requests received
- 364 certificates renewed

 Business Assist. Program Attendance: 165 (62%)  
 30,412 Calls received

*\*Includes licenses cancelled for non-renewal. Cancellations were paused in the 4th quarter 2019-20 as a result of the COVID-19 Emergency Declaration and were reinstated on February 2, 2021.*

# Licensing - License Application Trends

## NEW LICENSE APPLICATION TRENDS

Month	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	% Change
1st Qtr	394	398	460	497	532	8%
2nd Qtr	385	386	498	488	534	9%
3rd Qtr	398	475	514	575	633	10%
4th Qtr	455	539	548	431	627	45%
<b>Fiscal Year Total</b>	<b>1,632</b>	<b>1,798</b>	<b>2,020</b>	<b>1,991</b>	<b>2,326</b>	<b>17%</b>

% Change from Prior FY



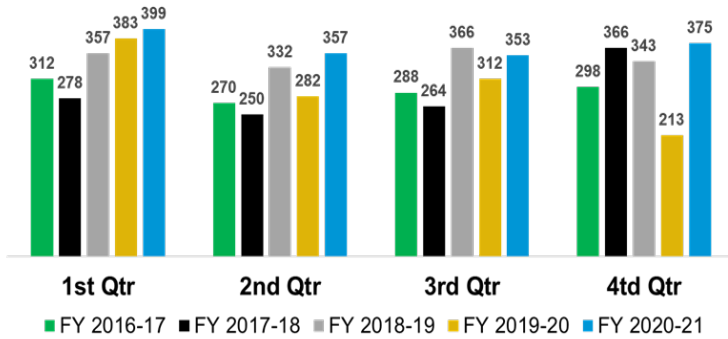
	4th Quarter FY 2019-20	4th Quarter FY 2020-21	% Change
Received	431	627	45%
Approved	416	535	29%
Tabled	5	7	40%
Denied	10	20	100%
Pending	820	814	-1%

## LICENSE CHANGE APPLICATION TRENDS

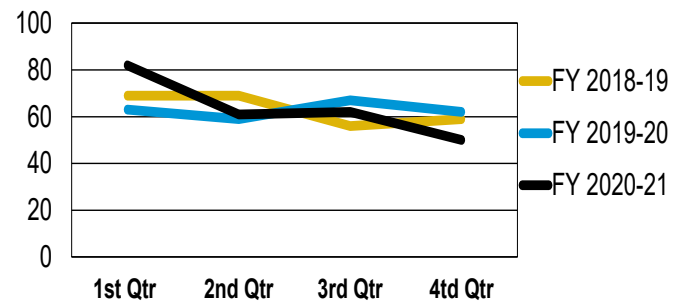
	FY 2018-19	FY 2019-20	FY 2020-21	% Change
JUL	241	253	249	-2%
AUG	253	245	234	-4%
SEPT	186	213	235	12%
<b>Q1 Total</b>	<b>680</b>	<b>711</b>	<b>718</b>	<b>1%</b>
OCT	213	225	209	-7%
NOV	193	200	204	2%
DEC	209	217	209	-4%
<b>Q2 Total</b>	<b>615</b>	<b>642</b>	<b>622</b>	<b>-3%</b>
JAN	221	224	187	-17%
FEB	239	239	207	-13%
MAR	291	215	266	24%
<b>Q3 Total</b>	<b>751</b>	<b>678</b>	<b>660</b>	<b>-3%</b>
APR	275	155	223	44%
MAY	282	210	211	0.50%
JUN	243	240	248	3%
<b>Q4 Total</b>	<b>800</b>	<b>605</b>	<b>682</b>	<b>13%</b>
<b>FY Total</b>	<b>2,846</b>	<b>2,636</b>	<b>2,682</b>	<b>2%</b>

# Licensing - Issued License Trends

Annual Comparison by Quarter



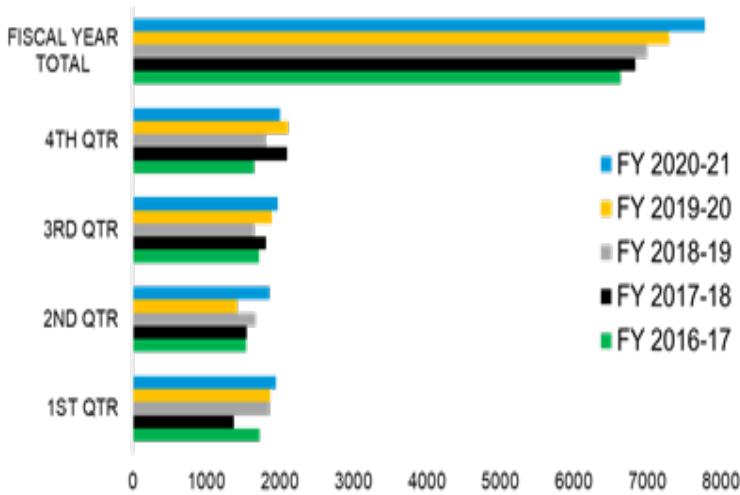
Average Processing Time (Days)



Primary Classification	4th Qtr 2019-20			4th Qtr 20-21		
	In	Out	Total	In	Out	Total
A - General Engineering	9	16	25	14	14	28
B - General Building	30	19	49	36	30	66
C-1 Plumbing and Heating	7	0	7	18	3	21
C-2 Electrical	17	14	31	38	12	50
C-3 Carpentry, Maintenance & Minor Repairs	16	6	22	29	1	30
C-4 Painting and Decorating	14	1	15	26	4	30
C-5 Concrete Contracting	6	0	6	12	7	19
C-6 Erecting Signs	2	3	5		1	1
C-8 Glass and Glazing	0	1	1	3		3
C-10 Landscape Contracting	4	1	5	7	1	8
C-13 Using Sheet Metal	0	0	0	2		2
C-14 Steel Reinforcing and Erection	4	1	5	16	11	27
C-15 Roofing and Siding	4	2	6	3	3	6
C-16 Finishing Floors	4	0	4	11	1	12
C-17 Lathing and Plastering	1	0	1		1	1
C-18 Masonry	5	1	6	7	1	8
C-19 Installing Terrazzo and Marble	1	0	1	8	1	9
C-20 Tiling	5	0	5	10	1	11
C-21 Refrigeration and Air Conditioning	7	4	11	22	6	28
C-23 Drilling Wells & Installing Pumps, Pressure Tanks & Storage Tanks	0	0	0	1		1
C-24 Erecting Scaffolds & Bleachers	2	0	2			0
C-25 Fencing & Equipping Playgrounds	0	0	0	3	1	4
C-26 Institutional Contracting	0	0	0		1	1
C-28 Fabricating Tanks	0	1	1		1	1
C-30 Installing Equipment to Treat Water	1	0	1	1		1
C-31 Wrecking	0	0	0	2		2
C-33 Installing Industrial Machinery	1	0	1		1	1
C-36 Installing Urethane	0	0	0			0
C-37 Solar Contracting	0	0	0			0
C-38 Installing Equipment used with Liquefied Petroleum & Natural Gas	0	0	0			0
C-39 Heaters	1	1	2	1		1
C-40 Specialties Not Authorized by Other Classifications	0	1	1		1	1
C-41 Fire Protection	0	0	0	2		2
<b>Total</b>	<b>141</b>	<b>72</b>	<b>213</b>	<b>272</b>	<b>103</b>	<b>375</b>
<b>% In Nevada</b>		<b>66%</b>			<b>73%</b>	
<b>% Out of State</b>		<b>34%</b>			<b>27%</b>	

# Licensing - License Renewal Trends

ACTIVE LICENSE RENEWAL TRENDS



ONLINE RENEWALS - 4TH QUARTER TRENDS

	Q4 FY 2018-19	Q4 FY 2019-20	Q4 FY 2020-21	% Change
Total Renewals	1,861	2,161	2,037	9%
Online Renewals	989	1,400	1,302	32%
% Renewed Online	53%	65%	64%	

ACTIVE LICENSE RENEWAL TRENDS

MONTH	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	% Change*
JUL	529	558	639	688	590	-8%
AUG	613	545	620	586	605	-2%
SEPT	583	272	601	591	756	57%
<b>1ST QTR</b>	<b>1,725</b>	<b>1,375</b>	<b>1,860</b>	<b>1,865</b>	<b>1,951</b>	<b>7%</b>
OCT	529	702	612	498	627	2%
NOV	505	430	473	410	626	32%
DEC	508	415	581	518	606	4%
<b>2ND QTR</b>	<b>1,542</b>	<b>1,547</b>	<b>1,666</b>	<b>1,426</b>	<b>1,859</b>	<b>12%</b>
JAN	581	576	593	665	684	15%
FEB	543	660	527	591	621	18%
MAR	590	575	534	637	668	25%
<b>3RD QTR</b>	<b>1,714</b>	<b>1,811</b>	<b>1,654</b>	<b>1,893</b>	<b>1,973</b>	<b>19%</b>
APR	498	687	561	609	644	15%
MAY	583	743	617	753	581	-6%
JUN	575	672	637	752	776	22%
<b>4TH QTR</b>	<b>1,656</b>	<b>2,102</b>	<b>1,815</b>	<b>2,114</b>	<b>2,001</b>	<b>10%</b>
<b>FY TOTAL</b>	<b>6,637</b>	<b>6,835</b>	<b>6,995</b>	<b>7,298</b>	<b>7,784</b>	<b>11%</b>

ONLINE RENEWALS - FISCAL YEAR COMPARISON

	FY 2018-19	FY 2019-20	FY 2020-21	% Change
Total Renewals	7,179	7,439	7,968	11%
Online Renewals	3,709	4,486	5,127	38%
% Renewed Online	52%	60%	64%	

FY 2020-21 realized a 38% increase in the number of licensees electing to renew their license online, compared to the previous fiscal year. Overall, the percentage of online renewals continues to show steady gains year over year.

As of June 30, 2021, there are 10,099 registered online accounts, representing a 23% increase in the number of registered accounts compared to one year prior. During the 4th quarter, 605 new online accounts were added bringing the fiscal year total up to 1,952.

# Licensing - Endorsement & Exam Trends

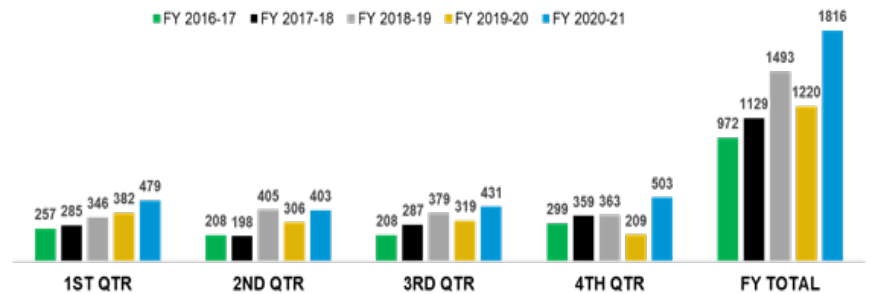
Primary Classification	4th Quarter 2020-21			FY 2020-21		
	Trade & Experience	Trade Only	Experience Only	Trade & Experience	Trade Only	Experience Only
A - General Engineering	7	1	2	16	3	7
AB - General Engineering & General Building	1			2	1	
B - General Building	10	4		61	13	5
C-1 Plumbing and Heating					1	1
C-2 Electrical	6	4	2	18	6	2
C-4 Painting and Decorating	3			4		
C-5 Concrete Contracting		1		4	1	
C-8 Glass and Glazing						1
C-10 Landscape Contracting				9	1	1
C-14 Steel Reinforcing and Erection		1			2	
C-15 Roofing and Siding						2
C-16 Finishing Floors						2
C-17 Lathing and Plastering						1
C-20 Tiling						2
C-21 Refrigeration and Air Conditioning	1			5		
C-23 Drilling Wells & Installing Pumps, Pressure Tanks & Storage Tanks				2		
C-41 Fire Protection	2			3		
<b>Total</b>	<b>30</b>	<b>11</b>	<b>4</b>	<b>124</b>	<b>28</b>	<b>24</b>

During the 4th quarter, 45 applicants requested endorsement of a trade exam and/or experience qualifications based on licensure in another state, which is 7% of all New License Applications received in the same period and a 14% decrease over the same period last year.

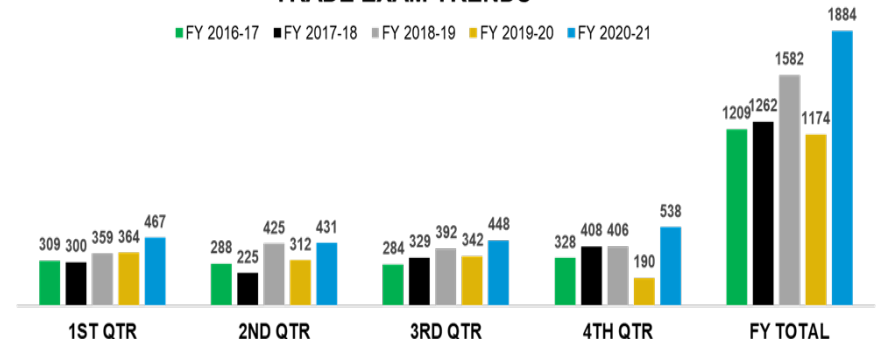
## NASCLA EXAM

During the 4th quarter, 16 applicants applied for waiver of the general building exam based on passing the NASCLA exam. This represents a 60% increase from the prior fiscal year. A total of 49 waivers were requested in FY 2020-21, which is a 26% increase from FY 2019-20.

CMS EXAM TRENDS



TRADE EXAM TRENDS





# Licensing - Annual Highlights

## Comprehensive Review of Processes & Regulations

Regulations were adopted updating the Board's rules of practice and completed the 10-year regulation review in accordance with NRS 233B. A complete evaluation of processes and procedures was also conducted in order to identify opportunities to reduce processing times and costs. Process changes included:

- Limiting use of credit reports and bank verification forms to applicants identified as having certain risk factors and licensees subject to financial responsibility or disciplinary proceedings;
- Modified fingerprint requirements for individuals that hold a current, active, contractor's license in Nevada and are simply seeking additional licensure;
- Limiting efforts to gather experience documentation and offering applicants a pathway to licensure based on the information provided; and,
- The elimination of paper working files, scanning documents on receipt and electronically distributing applications to license analysts for processing.

## Services, Resources Automated for Enhanced Access

During the year, the Board completed testing on the development of its online process for submittal of new license applications, which was promoted to the Board's website. Staff also created a PDF version of the Nevada Contractors Board Handbook containing the most up-to-date codified version of Chapter 624 of the Nevada Revised Statutes and Nevada Administrative Code. This document was posted on the Board's website making it available for download by licensees, applicants and the general public.

## Exams, Application Process Changes, and Industry Notifications

In coordination with the Board's exam provider, PSI, the annual review of all licensure examinations was initiated to ensure that exam questions are sourced to the most up to date codes and references. The contract for PSI was awarded after completing the bid process for licensure development and administration services. It is currently pending approval by the Nevada State Board of Examiners.

Modifications were made to the change of officer application process to provide for the submittal of an attestation in lieu of corporate minutes. Programming changes were also completed that provide for more efficient management and tracking of licensee indemnitor information, and case management.

With the expiration of Emergency Directive 026 on September 28, 2020, the automatic suspension of licenses based on failure to timely renew was reimplemented in October, 2020, and the automatic cancellation process in January, 2021. Prior to these actions, notification was sent to all affected licensees.

# Enforcement - Background Check Trends

## 4th QUARTER

<b>Fingerprint Cards Submitted</b>	<b>870</b>
Applicants with criminal histories	275
Applicants without criminal histories	595
<b>Criminal Histories</b>	<b>31%</b>

## FY 2020-21

<b>Fingerprint Cards Submitted</b>	<b>3,242</b>
Applicants with criminal histories	893
Applicants without criminal histories	2,329
<b>Criminal Histories</b>	<b>28%</b>

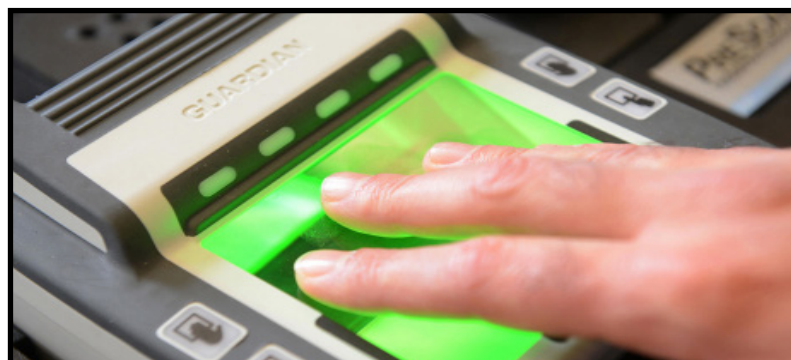
### ***BACKGROUND CHECKS***

- 81 Investigations initiated
- 71 Investigations closed
- 26 Pending
- 23 Failed to disclose criminal conviction(s)
- 27 Licensing interviews conducted

### ***BACKGROUND CHECKS***

- 215 Investigations initiated
- 188 Investigations closed
- 74 Applicants failed to disclose criminal convictions(s)
- 51 Licensing interviews conducted
- 12 Applicants withdrew their application

**2 Administrative Citations Issued for Misrepresentation totaling \$1,000 in fines.**



# Enforcement - Complaint Trends

## 4th QUARTER

### **583 Complaints Opened**

- 207 Workmanship
- 155 Contracting without a License
- 119 Industrial Regulation
- 75 Unlawful Advertising
- 26 Money Owing
- 1 Criminal Fraud

### **109 Citations Issued**

- 46 Administrative Citations issued to licensed contractors
  - \$120,500 in Fines
  - \$16,976 in Costs
- 63 Administrative Citations issued to unlicensed contractors
  - \$161,225 in Fines
  - \$38,787 in Costs

### **23 Disciplinary Hearings**

- 8 Licenses Revoked
- 10 Cases assessed fines & costs
  - \$25,963 in Fines
  - \$35,683 in Costs

### **3 Criminal Affidavits Filed with District Attorney Offices**

### **71 Cease & Desist Orders Issued to Unlicensed Contractors**

## FY 2020-21

### **2,058 Complaints Opened**

- 670 Workmanship
- 526 Contracting without a License
- 448 Unlawful Advertising
- 431 Industrial Regulation
- 127 Money Owing
- 2 Criminal Fraud

### **386 Citations Issued**

- 142 Administrative Citations issued to licensed contractors
  - \$303,450 in Fines
  - \$50,553 in Costs
- 224 Administrative Citations issued to unlicensed contractors
  - \$528,025 in Fines
  - \$145,590 in Costs

### **90 Disciplinary Hearings**

- 23 Licenses Revoked
- 53 Cases assessed fines & costs
  - \$194,413 in Fines
  - \$128,757 in Costs

### **38 Criminal Affidavits Filed with District Attorney Offices**

### **273 Cease & Desist Orders Issued to Unlicensed Contractors**

# Enforcement - Recovery Fund Highlights

	4th Quarter	FY 2020-21
<b>Claims Considered</b>	<b>7</b>	<b>68</b>
<b>Claims Awarded</b>	<b>5</b>	<b>57</b>
<b>Total Award Value</b>	<b>\$9,963</b>	<b>\$427,852</b>
<b>Average Claim Award</b>	<b>\$1,993</b>	<b>\$7,506</b>

## Homeowners Seek Recovery After Harm by Security Screen Masters Validated

During the reporting period, over 21 homeowners filed claims with the Residential Recovery Fund after hiring SSM of Nevada, dba Security Screen Masters, to fabricate and install security screens at their residence. Each homeowner paid up to a 50 percent down payment prior to any work being performed.

In November 2020, Security Screen Masters of Nevada, LLC had their license revoked by the Board after failing to appear at a disciplinary hearing concerning the alleged abandonment of several projects.

At the meeting, the Residential Recovery Fund Committee considered the claims of the affected homeowners and awarded over \$115,000 to 21 claimants, for an average award of approximately \$5,500.



# Enforcement - Case Highlights

## Unlicensed Contractor on Board's Radar

When a southern Nevada homeowner hired American Handyman Systems to do some exterior painting, he never imagined he'd become victim to theft.

Carl Pileggi, owner of American Handyman Systems, an unlicensed contractor, was found by the Board to have taken over \$1,200 as a deposit from the homeowner before abandoning the project. No work was ever performed. During the course of the investigation, Pileggi offered to refund the deposit in full, which he failed to do.

Pileggi currently has two unpaid Administrative Citations for contracting without a license as well as an open criminal case for misdemeanor theft. The validated investigation has been forwarded to the Las Vegas Regional Justice Center for pursuit of misdemeanor charges and requests that restitution for the victim be awarded.

## Failed Permit, Repair Delays Result in Disciplinary Action

During the third quarter, a complaint was filed against Absolute Comfort, LLC (Respondent) after they were sent out by a home warranty company to replace a rooftop air conditioning unit. Among the items identified during the investigation, the Respondent failed to pull the permit prior to work being performed, and actually had the homeowner pull the permit, which ultimately failed inspection.

During the Board's investigation, it was discovered the Respondent's multi-jurisdictional business license was inactive and its state business license was revoked. Failed attempts to make repairs necessary to pass the building inspection and significant delays ultimately led to resolution of workmanship issues identified. The homeowner was subsequently reimbursement for the out-of-pocket expenses not covered under warranty policy.

The Respondent was issued an Administrative Citation for multiple violations of NRS and NAC 624.

## Multiple Felonies Sought for Unlicensed Contractor

In April, a Nevada couple hired Daniel Romolo Ripa, dba Ripa Remodeling & Repairs upon recommendation from a coworker to remove a chandelier in their home. While on the project, the homeowner began sharing her vision of a larger kitchen remodel with Ripa, who didn't hesitate to lend his services and entered into a verbal contract with the homeowners for \$38,000.

The scope of the project would include plumbing, electrical, drywall, flooring and painting - the type of work that requires a B-2 (residential and small commercial) contractor's license, which Ripa did not obtain.

The homeowners paid \$38,500 to Ripa in the form of personal checks and Venmo payments to Ripa's secretary - actions they will soon realize to be red flags of unlicensed contracting activities. Although Ripa purchased some supplies and engaged in limited work, project delays and poor workmanship led the homeowners to file a complaint with the Contractors Board for remedy.

The investigation revealed Ripa has multiple felony theft and misdemeanor contracting without a license charges pending with the Las Vegas Regional Justice Court. The same charges were filed in this case and remain pending before the Court for adjudication.



# Information Technology - Quarter 4 Highlights

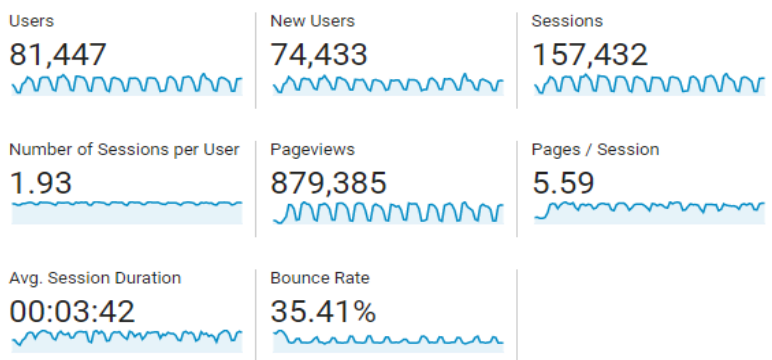
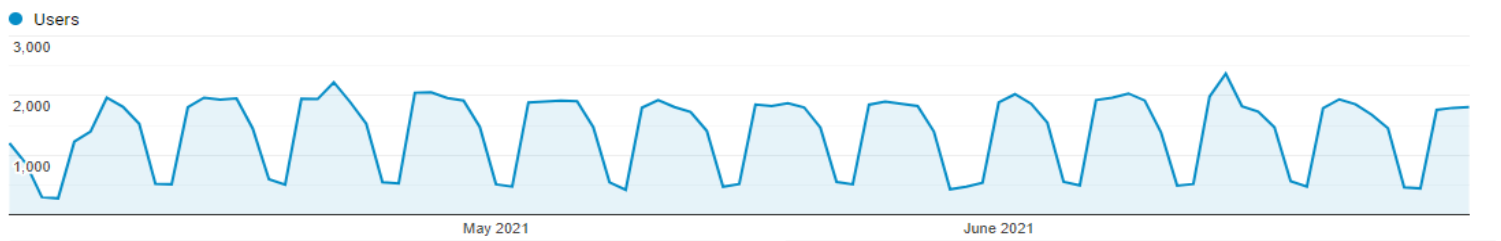
## Technology Upgrades, Hybrid Capabilities, and Future Planning

During the reporting period, the Information Technology Department continued work on upgrading the Board’s infrastructure. Upgrades to the e-mail and servers are ongoing. A new phone system is being pilot tested.

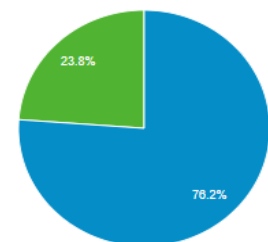
As the Board prepares for the relocation of its southern Nevada office, IT has been working closely with those involved to ensure all technology needs of the office are accounted for in the new office space. Among these efforts are goals to integrate a hybrid communications plan that will allow for in-person meetings to be made available virtually in real time.

## Website Traffic

The 4th quarter of FY 2020-21 welcomed over 74,000 new visitors to the Board’s website and nearly 880,000-page views. The majority of visitors accessed license verification pages, which provide the public with real time license status.



■ New Visitor ■ Returning Visitor



**Most searched pages represent 60.5% of total page views:**

- 1. License Search**
- 2. License Search Results**
- 3. Home Page**

**28% of visitors to the Board’s website are using mobile phones and tablets.**

# Public Information - Quarter 4 Highlights

## NSCB Conducts License Verification Training

In an ongoing effort to promote the Board's license verification services and related resources, the Public Information Officer and Compliance Supervisor teamed up to conduct training programs for the City of Las Vegas contracts and administrative personnel, as well as address questions from the National Association of Residential Property Managers. The events welcomed over 50 participants in total who received information on the Board's online license verification process in support of hiring licensed Nevada contractors.

## Presentations Provide Support for New License Applicants

In addition to the Board's monthly Business Assistance Program, the Public Information Office worked alongside Licensing staff to deliver information regarding the Board's contractor license application requirements and process. Recipients of these events included participants engaged with a University of Nevada, Reno business management program, as well as the statewide management team of the Nevada Small Business Development Center.

While the UNR presentation, delivered in both English and Spanish, allowed staff to address questions of prospective applicants, the SBDC presentation differed slightly as their primary role is to field questions and assist small businesses in their quest to become licensed contractors. The purpose of this meeting was to educate SBDC managers of the resources of the Board, while also guiding them in the application requirements to ensure the information they were conveying with the public was accurate and consistent with the Board's operations and licensure expectations.

### YEAR IN REVIEW FY 2020-21

- 146 Facebook posts reaching over 20,000 members of the public.
- Established Instagram page welcoming over 350 followers
- 20 Presentations/Events, including Hammers & Hope; Women in Construction; 7th Annual Contractor Training Day; and Construction Workforce Panels
- 11 News releases
- 10 Media interviews
- 9 Articles submitted to media, state agencies, and organizations
- 2 Town Halls conducted with state and local officials

## Home Repair Scams Highlighted in Local Publication

In April, Executive Officer Grein was featured in an editorial in the Las Vegas Review-Journal that informed consumers about home repair scams and how to identify and avoid them. The opportunity afforded the Board exposure to thousands of southern Nevada residents who may be learning of the Nevada State Contractors Board mission and resources for the first time.

## Looking Forward - Fiscal Year 2021-22

Continuing forward in the midst of ongoing pandemic uncertainties, the Nevada State Contractors Board remains confident in its ability to advance the goals and objectives of its FY 2021-22 Strategic Plan. Among our daily activities, the Board is prepared to address the areas noted below:

- Evaluate and make recommendations for improving application processes.
- Review regulations and trade examination content to address changes in technology and construction methods.
- Meet with Nevada Highway Patrol to evaluate the feasibility and frequency of sting operations.
- Identify opportunities to expand pre-hearing investigations to improve processes related to license appeals and denial hearings.
- Begin automating paperwork associated with enforcement activities.
- Develop innovative partnerships and strategies to advance efforts combating unlicensed contracting activities.
- Implement customer service training for enforcement personnel involved in field operations.
- Focus communications strategies on low cost ways to promote licensing and the value of hiring a licensed contractor, including outreach to owners, developers and real estate professionals, and prospective licensees.
- Inform industry groups and members of the public of noteworthy legislative changes.
- Expand the functionality of the NSCB mobile app.
- Expand Board training topics to include the application denial process, and host a joint planning session with the Commission on Construction Education.
- Continue to fulfill the objectives of the Labor Task Force in conjunction with the Labor Commissioner and partnering state officials.

While the Board will prioritize the objectives with the ongoing delivery of services and accommodations to pandemic-related orders, we remain dedicated to working collaboratively with the industry, local and state partners, and community and educational groups when necessary.

The Board understands its mission is best achieved through the supported efforts of those throughout our community. We will strive to protect the public's safety as we help inform consumers of the available resources of the Board and assist licensees and prospective applicants who strive to be part of Nevada's robust construction industry.



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