



Nevada State Contractors Board

STRATEGIC PLAN
EXECUTIVE OFFICER REPORT
QUARTER ONE REPORT

July 1 - September 30, 2021



Members of the Board

Kent Lay, *Chairman*

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, *Information Technology Manager*

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
ensure
quality
construction



Message from the Executive Officer

As we close the chapter on another summer season in Nevada, I'm reminded of the importance of public protection and the role our Board plays to uphold it. Every day life has a way of hitting us hard at the most inopportune times -- air conditioning units failing during the hottest week of the year; roof leaks causing damage to homes, and even the more devastating damage caused by fires and floods.

Overseeing a public agency that serves consumers in their most vulnerable moments is truly a gift, and we continue to advance our efforts and resources to best provide avenues for recourse when possible.

The start of this year was no exception. The implementation of new laws aimed to heighten consumer protections and contractor requirements regarding residential solar installations will be taking effect Oct. 1. Included in the Board's efforts to promote and inform the public is new solar content on the Board's website and outreach partnerships with key stakeholders to disseminate information as broadly as possible.

Addressing unlicensed contracting is another area we continue to prioritize as we understand the dangers of home repair scams and the limited remedies available to consumers who have been taken advantage of by unlicensed contractors.

It is in these challenging and often emotionally charged moments that our public safety mission takes focus and our investigations strive to pave a pathway toward resolution.

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 Highlights

Executive Officer Partners with Local and State Officials in Consumer Protection Press Conference

The Nevada State Contractors Board partnered with Clark County Commission Chair Marilyn Kirkpatrick and Senator Chris Brooks to host a joint press conference on the implementation of SB 303 concerning residential solar requirements, as well as inform the public of the importance of hiring licensed Nevada contractors for projects like residential pool and spa construction. To promote these changes, we have created a new “Residential Solar” tab under consumer information on the Board’s website; we distributed an Industry Bulletin to all licensees informing them of the changes taking effect October 1st; we have sent information to industry groups as well as the media to help expand our outreach; and we’ve integrated new solar graphics into our social media.

Annual NASCLA Conference Provides Training for NSCB Executives

Executive Officer Grein joined Director of Investigations Rozario in September for the annual NASCLA Conference. Breakout training topics included universal licensing; changes and challenges with reciprocity agreements; building a 21st century workforce; exam-delivery models; virtual enforcement inspections; 2022 economic forecast; licensing work experience requirements; and opportunities for women in construction, among others.

NSCB Holds Joint Meeting with California State License Board

This year’s joint meeting with the California Contractors State License Board provided a forum to discuss common licensing, enforcement, and outreach initiatives and trends between the state’s operations. Highlighted in the discussion were trends and licensing requirements related to residential solar, proactive enforcement strategies regarding unlicensed contractors, and operational improvements and adjustments related to the ongoing pandemic.

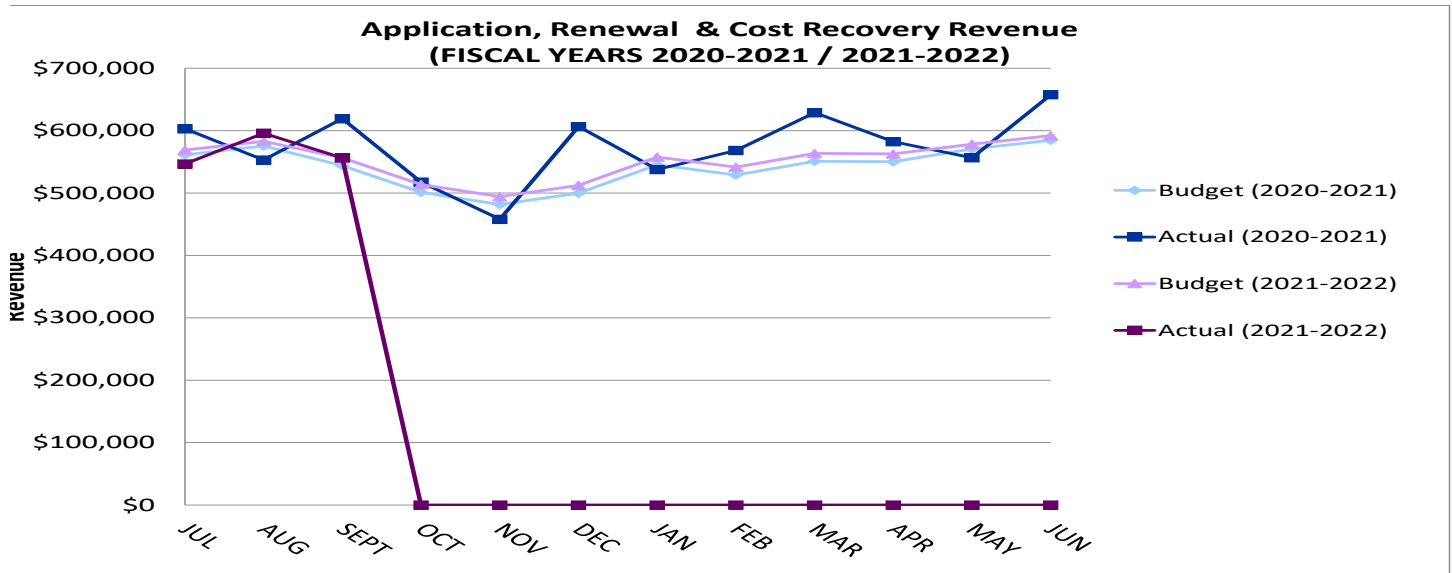
Board Hosts Workforce Development Panel at Clark High School

Continuing efforts to promote workforce opportunities in construction, Executive Officer Grein joined forces with industry representatives to share valuable information with the next generation of young professionals about a career in construction. The panel welcomed nearly 100 students and sought to introduce them to employment resources, hiring tips, and a variety of perspectives about professionals who have found a home in construction.

Investigations Staff Receive Training

As new laws take effect, Board Counsel provided investigations staff with an overview of new laws taking effect to ensure a common understanding of the new requirements, help address questions from staff, and provide direction on the new areas of enforcement as outlined in law.

Licensing & Cost Recovery - Data Dashboard



JULY TO SEPTEMBER 2021	
Licenses (Beginning of Quarter)	17,564
New Licenses Issued	342
Licenses Cancelled / Surrendered /Revoked	(199)
Variance in Suspended/Reinstated Licenses	(69)
Licenses (End of Quarter)	17,638
# of Licenses on July 1, 2021	17,564
# of Licenses on Sept 30, 2021	17,638
Licenses Gained / Lost	74
Renewal Revenue Gained / Lost	\$44,400
<i>*Does not include suspended licenses</i>	

FISCAL YTD LICENSING FEE TOTALS (FY 2021-2022)			
LICENSING FEES	Q1 BUDGET	Q1 ACTUAL	VARIANCE
License Renewals	1,156,000	1,113,965	(42,035)
New License Fee	187,500	221,550	34,050
Application Fee	162,500	169,200	6,700
License Changes	107,500	112,950	5,450
Invest Recov Costs	62,500	56,542	(5,958)
Renewal Late Fees	17,500	12,188	(5,313)
Renewal Inactive	14,925	12,488	(2,438)

180 Day Retention Rate		
Projected Year-End Retention Rate	April 2021	17,254
	Cancellations	(398)
	New Licenses	695
	Susp/Reinstat	(95)
	Sept 2021	17,638
	Change	384
6 Month Rolling	% Change	2.18%

90 Day Retention Rate			
Projected Year-End Retention Rate	July 2021	17,564	
	Cancellations	(199)	(1.13%)
	New Licenses	342	1.94%
	Susp/Reinstat	(69)	(0.39%)
	Sept 2021	17,638	
	Change	74	
3 Month Rolling	% Change	0.42%	

Licensing - Quarter Statistics

New License Apps	586	(10%)
Issued Licenses	342	(14%)
Change Apps	664	(8%)
Active Licenses*	17,157	(3%)
Inactive Licenses	481	(8%)
Placed on Inactive Status	35	(8%)
Voluntary Surrender	68	(28%)
Licenses Canceled, Not Renewed	128	(15%)
Licenses Revoked	3	(40%)
License Suspensions (no bond)	183	(4%)
License Suspensions Initiated (DETR/DIR)	32	(39%)
• Compliance with DETR/DIR Received	19	(217%)
• Pending Suspension	14	
Active License Renewals	1,722	(8%)
Inactive License Renewals	50	(9%)
Application Denial Hearings	9	(18%)
CMS Exams	403	(16%)
Trade Exams	457	(2%)
Certificates of Eligibility Requests	10	(17%)
Certificates of Eligibility Renewals	103	(12%)
Business Assistance Program Attendees	36	(20%)
Total Calls Received (7/1/21 - 9/30/21)	7,336	

Licensing - New Application Quarter Statistics

1st Quarter New Applications: Processing & Classification Data

1ST QUARTER NEW APPLICATION STATS			
	FY 2020-21	FY 2021-2022	% Change
Received	532	586	10%
Approved	487	454	-7%
Tabled	3	14	367%
Denied	11	19	73%
Pending	712	752	6%
% Change from Q1 FY 2020-21			

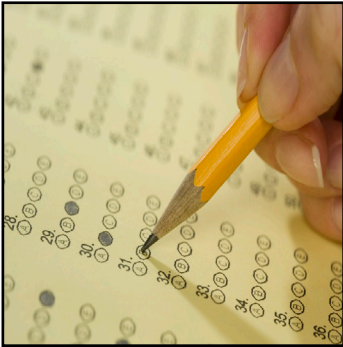
1st QUARTER FY 2021-2022				
PRIMARY CLASSIFICATION		IN-STATE	OUT-OF-STATE	TOTAL
A	General Engineering	29	38	67
AB	General Engineering and General Building		2	2
B	General Building	78	58	136
C-1	Plumbing and Heating	29	9	38
C-2	Electrical	38	33	71
C-3	Carpentry, Maintenance, and Minor Repairs	42	8	50
C-4	Painting and Decorating	24	4	28
C-5	Concrete Contracting	19	3	22
C-6	Erecting Signs		5	5
C-8	Glass and Glazing	4	1	5
C10	Landscape Contracting	18	1	19
C11	Spraying Mixtures Containing Cement	1		1
C13	Using Sheet Metal	1	1	2
C14	Steel Reinforcing and Erection	8	8	16
C15	Roofing and Siding	8	7	15
C16	Finishing Floors	13	1	14
C17	Lathing and Plastering	3		3
C18	Masonry	7		7
C19	Installing Terrazzo and Marble	9	1	10
C20	Tiling	11	3	14
C21	Refrigeration and Air Conditioning	30	6	36
C23	Drilling Wells & Installing Pumps, Pressure Tanks & Storage Tanks	1		1
C25	Fencing and Equipping Playgrounds	2	1	3
C26	Institutional Contracting	1		1
C28	Fabricating Tanks		2	2
C30	Installing Equipment to Treat Water	1		1
C31	Wrecking		1	1
C33	Installing Industrial Machinery		3	3
C36	Installing Urethane		1	1
C37	Solar Contracting	2	2	4
C38	Installing Equipment Used With Liquefied Petroleum and Natural Gas	1		1
C40	Specialties Not Authorized by Other Classifications	2	1	3
C41	Fire Protection	1	3	4
Total		383	203	586
% In Nevada			65%	
% Out of State			35%	

Licensing - Issued Licenses Quarter Statistics

During the first quarter of FY 2021-22, the Contractors Board issued nearly 342 licenses. Among the classifications with the highest number of licenses issued were B-General Building, C-2 Electrical, A - General Engineering, C-3 Carpentry, C-21 Refrigeration & Air Conditioning, and C-4 Painting & Decorating. These trades are reflective of the types of projects being noticed across the state in both residential and commercial construction.

1st QUARTER FY 2021-2022				
PRIMARY CLASSIFICATION		IN-STATE	OUT-OF-STATE	TOTAL
A	General Engineering	17	25	42
B	General Building	32	28	60
C-1	Plumbing and Heating	14		14
C-2	Electrical	33	24	57
C-3	Carpentry, Maintenance, and Minor Repairs	27	6	33
C-4	Painting and Decorating	16	2	18
C-5	Concrete Contracting	7	3	10
C-6	Erecting Signs	2	1	3
C-8	Glass and Glazing	4	2	6
C10	Landscape Contracting	13		13
C14	Steel Reinforcing and Erection	10	8	18
C15	Roofing and Siding	4	1	5
C16	Finishing Floors	5	1	6
C17	Lathing and Plastering	3		3
C18	Masonry	4		4
C19	Installing Terrazzo and Marble	2	2	4
C20	Tiling	6	1	7
C21	Refrigeration and Air Conditioning	24	2	26
C23	Drilling Wells & Installing Pumps, Pressure Tanks & Storage Tanks	1	1	2
C24	Erecting Scaffolds and Bleachers		1	1
C26	Institutional Contracting	1	1	2
C28	Fabricating Tanks		2	2
C31	Wrecking		1	1
C36	Installing Urethane		1	1
C39	Installing Heaters	1		1
C41	Fire Protection	1	2	3
Total		227	115	342
% In Nevada		66%		
% Out of State		34%		

Licensing - Quarter Highlights



EXAM VENDOR UPDATES GENERAL BUILDING REFERENCE SOURCE AND EXAM QUESTIONS

PSI completed updating reference sources for the general building contractor license exams, exam questions, candidate guides and website content.

Changes are currently being considered to the C-2 and C-2g examinations related to energy storage systems.



DATABASE PROCESS ENHANCEMENTS

The Board's licensing database was enhanced to automate validation of completed tasks and improve receipt and refund tracking to support consistent work flow and application processing.



RULEMAKING INITIATIVES SUBMITTED TO THE LEGISLATIVE COUNSEL BUREAU

The Board's proposed rulemaking initiatives based on the enactment of AB 51, AB 227, AB 330, and SB 303 are currently pending review by the Legislative Counsel Bureau. These changes include: updates to the fine matrix; inclusion of certain occupational and professional training as proof of experience; and, advertising related to residential solar photovoltaic work.



REGULATORY REPORTING COMPLETED

- The 10-year regulation review, required under the provisions of NRS 233B.050 was completed, approved and submitted to the Legislative Counsel Bureau.
- As required by NRS 353C.1965, a report containing information related to renewed licenses for the period January 1, 2021 – June 30, 2021, was compiled and submitted to the State Controller's office.

Investigations - Background Check Trends

The Nevada State Contractors Board is authorized under NRS 624.265 to request fingerprints from all applicants for licensure for the purposes of conducting criminal background checks, which are used to assess the character of an applicant and verify accuracy and/or omission of information provided on the license application. The Board's use of criminal justice databases is monitored and audited by the State of Nevada and the FBI for compliance with applicable rules, regulations, policies and procedures.



Fingerprint Cards Submitted	787
Applicants with criminal histories	188
Applicants without criminal histories	599
Criminal Histories	24%

Background Check Statistics

55 Investigations Initiated

- 26 Investigations pending
- 47 Investigations closed
- 2 Administrative citations were issued for misrepresentation

BACKGROUND INTERVIEWS AID APPLICATION PROCESS

Interviews with applicants whose history reveals criminal activities of concern afford an opportunity for a more in-depth analysis and evaluation before deciding if the conviction would disqualify the applicant.

Of the 14 applicants interviewed for this purpose during the reporting period, 8 were recommended for approval and 6 were recommended for denial of licensure.

Investigations - Quarter Statistics

JULY - SEPTEMBER 2021

541 Complaints Opened

- 209 Workmanship (39%)*
- 67 Unlawful Advertising (12%)*
- 123 Contracting w/o License (23%)*
- 110 Industrial Regulation (20%)*
- 31 Money Owing (6%)*
- 1 Criminal Fraud (0.18%)*

* Percentage of total cases

111 Administrative Citations Issued

- **Licensed Contractors: 42**
 - \$79,250 in Fines
 - \$19,196 in Costs
- **Unlicensed Contractors: 69**
 - \$191,000 in Fines
 - \$44,028 in Costs

5 Disciplinary Hearings

- 1 License Revoked
- Assessed fines & costs
 - \$39,850 in Fines
 - \$21,685 in Costs

28 Criminal Affidavits Filed with District Attorney Offices

88 Cease & Desist Orders Issued to Unlicensed Contractors

RESIDENTIAL RECOVERY FUND



During the reporting period, the Board opened 18 Recovery Fund cases following receipt of claims from consumers.

Two Recovery Fund meetings were held and 38 cases were considered by the Committee. A total of \$169,614.00 was awarded to 34 claimants for an average award amount of approximately \$4,989.00.

As of September 30, 2021, the Recovery Fund maintains a balance of \$5.696 million.

Investigations - Quarter Highlights



BUILDING DEPARTMENT AND SENIOR CENTER VISITS

During the current reporting period, the Investigations Department conducted visits to various building departments and Senior Centers and provided them with informational material from the NSCB.



CONSTRUCTION SITE VISITS

Investigators continue to randomly visit active commercial and residential construction sites to check for unlicensed contractors.



OWNER / BUILDER EXEMPTIONS

The NSCB receives copies of Owner/Builder Affidavits from the Henderson Building Department. If the Exemption Application shows the Owner/Builder is self-performing a complex or technical project, that location is visited by a Board Investigator to ensure compliance with the Owner/Builder requirements.

Information Technology

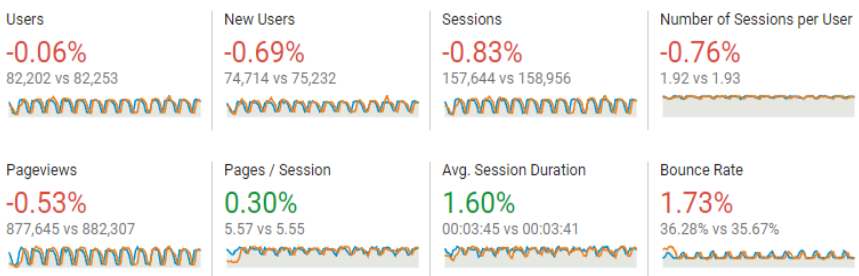
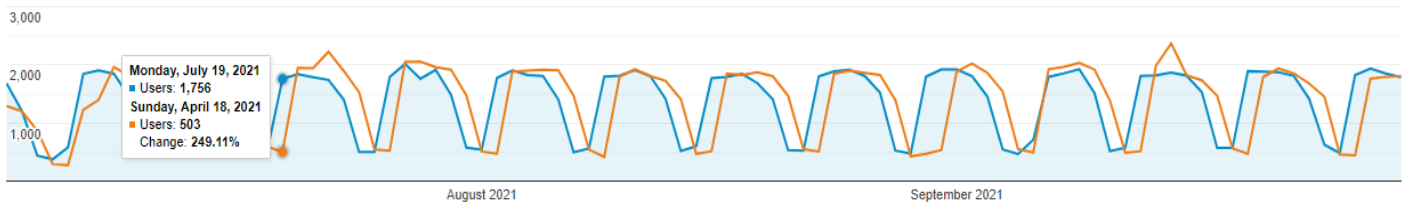
Website Statistics - 1st Quarter

The 1st quarter of FY 2021-22 welcomed over 74,000 new visitors to the Board’s website and nearly 880,000-page views. The Average Session Duration (time spend viewing the Board’s website) increased by 1.60% compared to the previous reporting period. (March 31 – June 30)

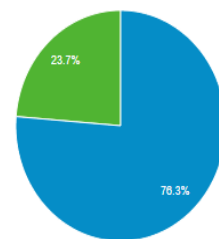
During the reporting period, the Information Technology Department continued work on upgrading the Board’s infrastructure. Upgrades to the e-mail and servers are ongoing. A new phone system was pilot tested and is currently being installed.

As the Board prepares for the relocation of its southern Nevada office, IT continues to 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.

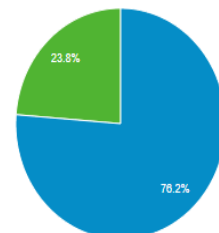
Jul 1, 2021 - Sep 30, 2021: ● Users
 Mar 31, 2021 - Jun 30, 2021: ● Users



■ New Visitor ■ Returning Visitor
 Jul 1, 2021 - Sep 30, 2021



Mar 31, 2021 - Jun 30, 2021



Website Visitors
 71.4% desktop users
 27.2% mobile users
 1.4% tablet users

Public Information Office

Communications Plan Helps Set Directives for Coming Year

The FY 2021-22 Communications Plan outlines key strategies for outreach and engagement of Nevada seniors, homeowners, legislators, and contractors. Efforts this year will expand upon topics such as workforce development, use of licensed contractors, home repair scams, and consumer protections related to solar.

New “Residential Solar” Page Added to Board’s Website

To best ensure consumers are aware of the new requirements included in Senate Bill 303 concerning residential solar installations and repair, the NSCB developed a webpage that helps breakdown the information with user-friendly headers.

In addition to these efforts, the Board has also distributed an Industry Bulletin with consistent messaging regarding new expectations and requirements for solar installation and repairs, as well as created a series of informational graphics to continue to promote and encourage compliance with the new law.

The Board remains hopeful that these changes will begin to realize noticeable decreases in the number of consumer complaints related to residential solar projects.



Social Media Toolkit Now Available for Public Use!

The best way to disseminate a message to a large audience is to allow the users themselves to become the voice of the agency! That’s exactly the goal with the new social media toolkit available on the Board’s website. The toolkit provides a series of graphics for general use, seasonal construction trends, home repair scams, industry-related messaging, as well as consumer messaging.

The Board encourages members of the industry and public to browse the toolkit, download, and share the content on their social media platforms as frequently as possible. Doing so will help inform consumers of the importance of hiring licensed contractors while also making them aware of the services and resources provided through the NSCB.

Looking Forward - Quarter 2

Over the next few months, our Board will remain committed to its efforts to protect the public, provide excellent customer service to those we interact with on a daily basis, and communicate the valuable resources available to those in need.

In addition, our strategic initiatives for the next three months will include:

- Determine if the license appeals and denial hearings process can be improved through expanded pre-hearing investigations.
- Inform the Board's target audiences regarding recent legislative changes.
- Provide information to owners, developers and real estate professionals on the importance of using licensed contractors.
- Implement a Board training session on the application denial process.

Maintaining our commitment to protecting the public's health and safety, the Contractors Board looks forward to using these opportunities to advance its mission, while continuing efforts to enhance and streamline operations and the delivery of services to the customers we serve.

We look forward to the journey ahead and reporting on the outcomes of our efforts.



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