



NSCB Industry Bulletin



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NEW LAW MANDATES LICENSE SUSPENSION FOR FAILURE TO PROVE EMPLOYMENT INSURANCE COVERAGE - EFFECTIVE JANUARY 1

HENDERSON and RENO, Nev. – On January 1, a new state law took effect making changes to NRS 624.256. The new law requires the Nevada State Contractors Board to suspend the license(s) of contractors who do not comply with state insurance laws.

Assembly Bill 86, passed during the 2013 legislative session, mandates the Board notify contractors when the state obtains a judgment against them for failure to make required contributions to the Unemployment Compensation Fund or when they are found to be non-compliant with laws concerning industrial insurance.

If a contractor fails to satisfy the judgment or prove they are in compliance with laws concerning industrial insurance within 30 days of the Board's notice, the Board must suspend their license(s).

If the Board suspends a license under these provisions, the contracting company must provide the Board a list of all projects it is working on. The company must not submit any new bids. It will also be removed from qualification lists for certain public works projects until the suspension is lifted. Subsequent violations of non-compliance may result in disciplinary proceedings and revocation of the license.

It is the responsibility of the Department of Employment, Training and Rehabilitation (DETR) and the Division of Industrial Relations (DIR) of the Department of Business and Industry to notify the Board when an Unemployment Compensation Fund judgment is obtained against a contractor or a contractor is not in full compliance with the requirements of chapters NRS 616A to 617, inclusive.

With few exceptions, contractors must contribute to the Unemployment Compensation Fund and either maintain industrial insurance and insurance for occupational diseases, qualify as a self-insured employer, or be a member of an association of self-insured employers.

If you receive a notice of possible suspension from the Board, you should contact DIR at (775) 684-7260 or (702) 486-9080, or DETR at (775) 684-4040 or (702) 486-5230 to determine the necessary steps of compliance immediately.

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