



Established 1941

Committed to Promoting Integrity and Professionalism in the Construction Industry

Jim Gibbons, Governor

www.nscb.state.nv.us

February 2010

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How To Contact The Board

Southern Nevada

2310 Corporate Circle, Suite 200
 Henderson, NV 89074
 Phone: (702) 486-1100
 Fax: (702) 486-1190
 E-Mail: mflordia@nscb.state.nv.us

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9670 Gateway Drive, Suite 100
 Reno, NV 89521
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 E-Mail: mflordia@nscb.state.nv.us

Hours of Operation

Monday - Friday
 8 a.m. to 5 p.m.

Business Opportunities Available With Southern Nevada RTC

By Sharon Hauht, CPSM, C.P.M.

The Regional Transportation Commission of Southern Nevada (RTC) is the transit authority, transportation-planning agency and traffic management agency for Southern Nevada.

The RTC's Transit Division is responsible for operation and maintenance of the community's mass transit system, which includes traditional bus service, rapid transit service and Paratransit service for the disabled.

The RTC's Freeway and Arterial System of Transportation (FAST) Division is responsible for carrying out transportation strategies designed to both

monitor and control traffic.

The RTC's Metropolitan Planning Organization (MPO) Division is responsible for state and federal governments in regards to planning and funding major roadway projects within the community.

When doing business with the RTC, contractors and subcontractors will deal with the RTC's Purchasing & Contracts Division. In order to effectively conduct this business, the RTC recommends the following:

- Become familiar with applicable Nevada Revised Statutes Chapters 332, 338, 339

(See Business Opportunities, Page 3)

Nevada Receives \$6 Million For Jobs Training

The U S Department of Labor in January announced that Nevada has been awarded a \$6 million grant under the American Recovery and Reinvestment Act of 2009 for jobs training.

The Nevada Department of Employment, Training & Rehabilitation (DETR) will facilitate the State Energy Sector Partnership and Training Grant, which is designed to teach workers skills required in emerging industries, including efficiency and renewable energy.

The grant will be used to:

- Create an integrated system of education, training and supportive services that promotes skill attainment and career pathway development for low-income, low-skilled workers leading to employment in Green Industries.
- To support Nevada's statewide energy sector strategy including the Governor's

overall workforce visions, state energy policies and training activities that lead to employment in targeted industry sectors.

- Build and strengthen partnerships dedicated to building a skilled clean-energy workforce.
- Develop new partnerships with other agencies receiving Recovery Act funds to support strategic planning and implementation efforts.

Note: DETR will post on its website when funds are available for Green Jobs training. Employment and training programming and service delivery cannot begin until grant funds are received and processed for training activities. For more information, go to DETR's website at: www.nvdetr.org

Across The Board

January 1-31, 2010

Investigations Division

Compliance Investigations

Investigations Conducted	246
Investigations Closed	233
Licenses Revoked	18
Fines Assessed	\$26,250
Investigative Costs Assessed	\$25,437
Recovery Fund Claims Awarded	\$195,528

Criminal Investigations

Investigations Conducted	91
Investigations Closed	104
Felony Cases Filed	4
Criminal Complaints Filed with District Attorney	11
Citations Issued	17
Convictions	9
Restitution Ordered by Court	\$1,685
Fines Assessed by Court	\$1,685

Licensing Division

New License Applications Received	159
New Licenses Issued	108
License Change Applications Received	415
Licensed Nevada Contractors	17,339

The Contractors' Billboard is published by the Nevada State Contractors Board as a service to licensed contractors to promote a better understanding of Nevada contracting law and to provide information of interest to all construction professionals. This information is believed to be accurate at the time of publication. The Contractors Board and the State of Nevada assume no responsibility for any damage that arises from any action that is based on information found in this publication.

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Jim Gibbons, Governor

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John C. Ellison
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Stephen P. Quinn
Donald L. Drake

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Mission Statement

"The Nevada State Contractors Board is committed to promoting public confidence and trust in the competence and integrity of licensees and to protect the health, safety and welfare of the public."

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www.nscb.state.nv.us

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Business Opportunities ...

(Continued from Page 1)

and 624 and Nevada Administrative Codes 338 and 624. Those can be found online at: www.leg.state.nv.us/law1.cfm The RTC and other local city and county governments are required to abide by those purchasing and construction-specific laws and codes.

• Become acquainted with the RTC Purchasing & Contracts website at: www.rtcnv.com/about/business.cfm

There is a vast amount of information that can be found on that site, including the current bid solicitation calendar of advertised bids, solicitation documents to download, supplier registration forms, purchasing representative contact information, plan-holder lists, bid opening reports, award information, Disadvantaged Business Enterprise (DBE) goals and information, Frequently Asked Questions (FAQs) and much more.

- Become familiar with the RTC's terms and conditions by downloading and reviewing a construction bid document from the website.
- Attend pre-bid conferences and public bid openings.
- Submit questions in writing to the purchasing representative specified in the solicitation (bid) document and on the website.
- When submitting a bid, follow the "Instructions to Bidders" precisely, and provide all requested information with your bid submittal.
- Allow adequate preparation, traffic and parking time when submitting a bid. Any bids received after the due date and time advertised will be returned unopened to the bidder, no exceptions.
- Submit subcontractor lists completely and any other post-bid information requested by the time specified in the bid solicitation.



tion.

- Contact a RTC purchasing representative if you have any questions by clicking on their name on the website, or call: (702) 676-1500.

Other good information for contractors and subcontractors to know:

- Only obtain your solicitation documents from the RTC. If you obtain them or any other information from any other source, the RTC will not be responsible for the content in the solicitation.
- If changes or clarifications are made to the solicitation (bid) document, a written addendum will be issued on the website and a courtesy notification will be e-mailed to all known plan holders.
- The RTC only accepts bids from primary contractors on advertised bids, so subcontractors should download the plan holders list from the website and submit their subcontractor bids directly to the primary contractors.
- The RTC requires a Performance Bond, Labor & Material Payment Bond and Guaranty Bond, all in the amount of 100 percent of the contract price, only from the successful bidder. The RTC does not require subcontractors to provide bonds; however, a primary contractor may require them. This is at the discretion of the pri-

mary contractor.

- The RTC requires General Liability, Auto Liability and Worker's Compensation for each project. Some projects may require additional insurance, which will be specified in the solicitation document.
- If a construction project is funded by federal funds, the federal government and the RTC requires the bidders to submit completed and signed Federal Certifications, including a Buy America Certificate, Certification Regarding Lobbying and a Certificate Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions and a DBE Good Faith Effort or Verification Regarding Disadvantaged Business Enterprises.
- The RTC has established a voluntary race-neutral DBE goal of 3.7 percent on federally funded projects, which means the successful bidder must show their intent to meet or exceed the goal of subcontracting at least 3.7 percent of the total dollars of the construction project to DBE-certified subcontractors (list can be found at: <http://nevadadbe.com>).
- A bidder's preference of 5 percent is specified in NRS on projects estimated to cost over \$250,000. To obtain a Certificate of Eligibility, contact the Nevada State Contractors Board to determine eligibility.

Sharon Hauht is the manager of Purchasing & Contracts with the Regional Transportation Commission of Southern Nevada.

Here's What's Happening at the Board

Notify The Board Of Officer Changes

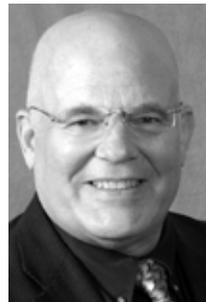
The Licensing Department would like to remind licensees, corporations and limited-liability companies that if you have had a change in officers, members or managers, you must submit an *Officer and/or Member Manager Change* application within 30 days of the change. Failure to do so could result in an administrative fine of \$50 to \$1,000.

An application form is available on our website at: www.nscb.state.nv.us



Donald L. Drake Appointed To Board

Donald L. Drake, a resident of Sparks, NV, has been appointed to the Nevada State Contractors Board by Gov. Jim Gibbons. Drake will serve as the public member of the Board, which is made up of six licensed contractors and one public representative, all appointed by the Governor.



Drake, a native of Reno, was owner and general manager of Baker & Drake, Inc., a Reno taxicab company. He is past president and a 25-year member of the board of directors of the Nevada Association of Employers and a member of the RTC 2040 Committee and the Sparks Citizens Advisory Committee.

"I am honored to have been chosen to serve on the Nevada State Contractors Board and can appreciate the great responsibility in overseeing the relationship between the community, contractors and consumers," Drake said of his appointment.

Drake attended Reno High School and the University of Nevada, Reno. He has four adult children: Robert, Julie, Bradley and Lisa and is married to Judy Moss.

George Lyford Speaks At SNARSCA Meeting

George J. Lyford, Director of Investigations, was keynote speaker Jan. 19 at the monthly meeting of the Southern Nevada Air Conditioning Refrigeration Service Contractors Association, Inc. (SNARSCA) in Las Vegas.

Lyford told members that while there are approximately 17,032 active licensed contractors in Nevada, the Board has seen a decline in new licenses, and many existing contractors are placing their licenses on either *inactive* or *not renewed* status during these tough economic times.

Lyford reported that money owing complaints have increased to 1,200 cases

annually, while substandard workmanship claims by homeowners have decreased to 958 cases for the same period. He said the Board investigated approximately 1,344 unlicensed contractor complaints last year, which resulted in criminal charges being filed against 880 individuals, and that around 300 active unlicensed arrest warrants are outstanding.

The director of investigations said the Board's Residential Recovery Fund processed 136 claims in 2009, awarding approximately \$959,000 to homeowners. The average claim was about \$7,000.

Unlicensed Contractor Complaints Keep Investigators Busy

During the month of January 2010, criminal investigators in the Southern Nevada office were kept busy with 56 complaints from homeowners who hired unlicensed contractors. A number of complaints were from victims who own manufactured homes. Unfortunately, the

NSCB does not have jurisdiction to investigate complaints involving manufactured homes.

Investigators investigated 25 unlawful advertising complaints for painting, electrical work, garage door installation and plumbing. Work advertised by an

unlicensed contractor, under the parameters of NRS 624.031.5, the "handyman exemption, may be closed as *invalid*.

The NSCB investigates all complaints that are received.

Board Disciplinary Actions: January 1-31, 2010

The Nevada State Contractors Board adjudicated the following cases from Jan. 1-31, 2010:

Adept Landscaping, license number 57198; **Adept Concrete and Pavers**, license number 60896 and **Adept Painting**, license number 52161 (Landscaping, Concrete Contracting and Painting), based out of Reno, NV, were found in violation of Nevada Revised Statute 624 for substandard workmanship; failure to comply with the Board's notice to correct; failure to include the Residential Recovery Fund information on a contract or proposal; and failure to establish financial responsibility. The licensee was fined \$400; ordered to pay investigative costs; pay the injured party \$7,000; and provide the Board with a financial review. Limits on license numbers 57198 and 60896 were lowered to \$50,000 each.

J K B Paramount Homes Nevada, LLC., license number 59317 and **J K B Nevada, Inc.**, license number 59316 (Residential & Small Commercial), based out of Turlock, CA, were found in violation of Nevada Revised Statute 624 for failure to comply with the terms of a construction contract, thereby causing material injury to another; failure to comply with the Board's notice to correct; failure to include the Residential Recovery Fund information on a contract or proposal; failure to keep in force a bond or cash deposit; for the partnership, corporation, firm or association participating in a prohibited act; and failure to establish financial responsibility. The licensee was fined \$1,600; ordered to pay investigative costs; and pay the injured party \$6,000. The licenses were revoked.

Nevada Granite Industries, Inc., dba Granite Transformations of Reno, license number 59698 and **Nevada Granite Industries, Inc., dba Granite Transformations of Reno**, license number 72047 (Install Terazzo & Marble and Finish Carpentry), based out of Reno, NV, were found in violation of Nevada Revised Statute 624 for substandard workmanship; abandonment; failure to comply with the Board's notices to correct; failure to notify the Board of a change in address or personnel within 30 days of the change; failure to keep in force a bond or cash deposit; for the partnership, corporation, firm or association participating in a prohibited act; and failure to establish financial responsibility. The licensee was fined \$3,250; ordered to pay investigative costs and make full restitution to all damaged parties. The licenses were revoked.

Shane E. Bryant., license number 58616 (Residential & Small Commercial) based out of Reno, NV, was found in violation of Nevada Revised Statute 624 for failure to establish financial responsibility. The licensee was ordered to pay investigative costs.

A 1 Action Plumbing and Rooter, Inc., license number 50591 (Plumbing & Heating), based out of Henderson, NV, was found in violation of Nevada Revised Statute 624 for misrepresentation of a material fact and failure to comply with a written citation. The licensee was fined \$4,000 and ordered to pay investigative costs. The license remains suspended, until corporate status with the Secretary of State is reinstated and fines and investigative

costs are paid.

Nevari, Inc., dba Nevari Air, license number 66097 (Refrigeration & Air Conditioning), based out of North Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for misrepresenting the value of services. The licensee was fined \$4,000; ordered to pay investigative costs; ordered to pay \$300 in restitution and send a letter to American Home Shield stating that there is no disposal law.

Southern Nevada Pools, LLC., license number 47317 (Commercial & Residential Pools), based out of Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for failure to respond to a written request from the Board; substandard workmanship; failure to take appropriate corrective action; failure to include the Residential Recovery Fund information on a contract or proposal; and failure to establish financial responsibility. The licensee was fined \$3,000; ordered to pay investigative costs and ordered to make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The license was revoked.

Schulter Electric, Inc., license number 51466 (Electrical Contracting), based out of Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for failure to establish financial responsibility. The licensee was fined \$500; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The license was revoked.

Thunder River, Inc., license number 52076 (Residential & Small Commercial), based out of Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for failure to establish financial responsibility. The licensee was fined \$500; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The license was revoked.

Crowne Closets, Inc., dba Crowne Closets & Cabinetry, license number 68054 (Finish Carpentry), based out of Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for failure to comply with the terms of a construction contract, thereby causing material injury to another; failure to include the Residential Recovery Fund information on a contract or proposal; failure to include the monetary license limit and license number on a contract or proposal; and failure to establish financial responsibility. The license was revoked.

Mana Builders, LLC., license number 62187 (Residential & Small Commercial), based out of Las Vegas, NV; was found in violation of Nevada Revised Statute 624 for failure to establish financial responsibility. The licensee was fined \$500; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for

(See Disciplinary Actions, Page 6)

Board Disciplinary Actions: January 1-31, 2010

(Continued from Page 5)

any monies paid out of the Residential Recovery Fund. The license was revoked.

Royal Plaster, LLC., license number 69528 (Coatings of Stucco & Cement), based out of Henderson, NV, was found in violation of Nevada Revised Statute 624 for failure to respond to a written request from the Board and failure to establish financial responsibility. The licensee was fined \$1,500; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The license was revoked.

Copper City Construction, LLC., license numbers 68802 and 69199 (Residential & Small Commercial and Carpentry), based out of Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for failure to respond to a written request from the Board; failure to establish financial responsibility; and for the partnership, corporation, firm or association participating in a prohibited act. The licensee was fined \$1,500; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The licenses were revoked.

Atlas Construction, LTD., license number 53500 (General Building), based out of Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for failure to pay money due for materials or services; failure to respond to a written request from the Board; and failure to comply with the regulations of the Board. The licensee was fined \$1,000; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The license was revoked.

Southern Nevada Mechanical Company, license number 52530 (Refrigeration & Air Conditioning), based out of Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for failure to respond to a written request from the Board and failure to establish financial responsibility. The licensee was fined \$1,000; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The license was revoked.

Thunder Air, license number 58397 (Refrigeration and Air Conditioning), based out of Henderson, NV, was found in violation of Nevada Revised Statute 624 for failure to respond to a written request from the Board and failure to establish financial responsibility. The licensee was fined \$1,000; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The license was revoked.

Regen Clay Gubler, dba R.C. Gubler, license number 48413 (Residential & Small Commercial), based out of North Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for a crime involving moral turpitude and failure to establish financial responsibility. The licensee was fined \$2,000; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The license was revoked.

Macias Enterprises, LLC., dba Southwest Flooring, license numbers 68096 and 64826 (Tiling and Finishing Floors), based out of Las Vegas, NV, was found in violation of Nevada Revised Statute 624 for failure to comply with a written citation and for the partnership, corporation, firm or association participating in a prohibited act. The licensee was fined \$500; ordered to pay investigative costs and make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund. The licenses were revoked.

****The Business Review Program is one in which a contractor's business practices and regulatory compliance is examined by NSCB investigative staff. The program is a part of NSCB's proactive investigative efforts.**

The Nevada State Contractors Board is committed to protecting the public's health, safety, and welfare through licensing and regulation of the construction industry. Under Nevada Revised Statutes, a licensee is subject to disciplinary action by the Board for failure to comply with the requirements of the laws or regulations governing contractors. Violations may result in Board action against the contractor's license. The State Contractors Board has the power to regulate contractors and discipline licensees who violate NRS 624. Disciplinary action may consist of a fine of up to \$10,000 per offense, order corrective action, suspension, revocation or other action.

TMCC Offering OSHA 10 And 30-Hour Training Classes

The following classes are offered at Truckee Meadows Community College. For information, go to: www.tmcc.edu and click on Continuing Education, or call: (775) 829-9010:

10-Hour Outreach for Construction - Learn 10 of the required training topics under OSHA 29CFR1926 standards. Upon successful completion, receive a Department of Labor certificate and wallet card. The class is offered **March 1-2**. Cost \$79.

30-Hour Outreach Construction Safety Training - Take this course to comply with OSHA's 30-hour construction safety outreach training for construction supervisors. Experienced staff will teach the new requirements, including the new Focus Four, PPE, ladders and stairways, scaffolding, excavation, chemical safety, crane safety, powered industrial trucks, hand and power tool safety and more. The class is offered **March 9-12**. Cost is \$275.

Criminal Cases Prosecuted: January 1-31, 2010

Code:

IC = Investigative Costs

F = Fine

R = Restitution

PB = Plea Bargain

** By Nevada law, the Nevada State Contractors Board has the authority to issue citations and pursue prosecution of individuals for violations ranging from contracting without a license to fraud. The following are the convictions and penalties imposed by the courts.*

Southern Nevada			
Callahan, Jeff DBA JC Lawn Care	Conviction	Cuervo, Alvaro F. DBA A F C Landscaping	IC; Conviction
Ullom, Jay Edward	IC; Conviction	King, Frederick	IC; Conviction
Frye, Michael	IC; Conviction	Rodriguez, Pablo	IC; Conviction
Montes, Maria	IC; PB	Eberflus, Jason	IC; PB
Battle, Pamela	IC; PB	Daniel, Alan Charles	IC; PB
Fagnant, Jeff	IC; PB	Alaniz, Gerardo	IC; PB
Hardy, Michael	IC; PB	Adams, Dell	IC; PB
Cortez, Exequiel	IC; PB		
Northern Nevada			
Moates, Jeffery Harold	\$225 R; IC; Probation	Brown, James Scott	\$300 F; IC
Burkwest, Jamieson S	\$635 F; IC		

Electing To Put Your License On Inactive Status

By Timothy J. Geswein

Some contractors opt to voluntarily place their licenses on inactive status as a response to economic conditions, health concerns and other significant business issues. Board statistics reveal that 636 contractors elected inactive status in fiscal year 2009 as compared to 480 inactive licenses in fiscal year 2008. Despite this apparent trend, the decision should not be undertaken without careful consideration because financial, accounting, tax and other business aspects may be influenced by the decision to inactivate a license.

What inactive status means

While the license is inactive, a contractor shall not engage in any work or activities that require a contractor's license. On the other hand, the contractor is not required to execute and maintain a bond pursuant to NRS 624.270, and the contractor is not required to qualify regarding his experience and knowledge pursuant to NRS 624.260. However, annual renewal payments are still required. Additionally, while on inactive status, the Board still has

jurisdiction to proceed with any investigation, action, or disciplinary proceeding against the contractor. The inactive period can last as long as five years; however, the license becomes void if the license is not renewed to active status within that time period.

Inactivating a license

To inactivate a license, a contractor in good status must submit an application to the Board. The Board recognizes the need for inactive status and will likely exercise its discretion to grant the application if: 1) the contractor has no unpaid past due bills for material, services rendered, or labor; 2) the contractor has no lien or stop notices for labor or materials filed on the contractor's work; and 3) there are no bids, contracts or incomplete projects pending in the State of Nevada. Nevertheless, even if these conditions cannot be met, the contractor may provide an explanation and reasons why the license should be placed on inactive status for the Board to consider.

Reactivating a license

To reactivate a license, a contractor must again apply to the Board. If the contractor has paid the applicable fees and assessments, establishes financial responsibility, provides a license bond and evidence of industrial insurance, and the contractor has not been disciplined, the Board will most likely exercise its discretion to grant the application and reactivate the license. Once reactivated, the contractor has the ability to engage in work, as well as the obligation to maintain the license and bond in good standing. Changes in the contractor's qualified person, business name, or other attributes of the license cannot be changed through an application to reactivate a license. Most importantly, if financial responsibility is not met, reactivation is not likely to be approved. The contractor *must* demonstrate sufficient working capital and net worth to support the license limit.

Additional considerations

A contractor evaluating whether to

(See Electing, Page 8)

Administrative Citations Paid

January 2010

(Investigative Costs Also Assessed)

Contractor	Lic. No.	Fine
Nevada Floor Tech	54414A	\$1,900.00
M B Company, LLC.	49767A, 57000A, 67663, 70867	\$1,000.00
Steven R. Bray, dba Power Plus	32114	\$3,000.00
Broken Arrow Communications, Inc.	64142, 64160	\$1,000.00
Timberline Development	51713	\$1,000.00
Southwest Fire Protection	63867	\$500.00
Stampco Concrete, Inc.	73224	\$1,000

Free OSHA Training At UNLV

The University of Nevada, Las Vegas (UNLV) has been awarded a grant from the Occupational Safety and Health Administration (OSHA) to provide free fall-protection training to active construction workers in Clark County.

Between 2004 and 2008, 35 Nevada construction workers lost their lives due to falls. Each year, non-fatal falls injure many construction workers who often become disabled for work, some permanently.

Faculty from the Howard R. Hughes College of Engineering Construction Management Department and School of Nursing will offer the 8-hour classes in either English or Spanish beginning April 1, 2010 at the UNLV campus (parking pass included).

The classes will be held either on two 4-hour weeknights, or all day Saturday. Workers will practice fall-prevention skills in a laboratory and receive course materials and a certificate of completion.

Although all class content will be approved by OSHA, this training *is not* an OSHA-10-hour class.

For more information, please call Dr. Pramen Shrestha at: (702) 895-3841.

Electing ...

(Continued from Page 7)

place a license on inactive status should carefully consider the decision’s impact on financial, accounting, tax and other aspects of the contractor’s business. The contractor would be wise to get assistance from legal and other professionals who can accurately identify and evaluate the contractor’s unique situation.

From a financial perspective, the contractor may find that lenders have included covenants regarding maintenance of an active license as a lending condition. These covenants may be in the loan documents or in personal guarantees. In some circumstances, the change to inactive status could trigger repayment clauses, raise interest rates, or cause other undesirable changes in existing loans.

Similarly, accounting and tax implications exist. For instance, generally accepted accounting principles (commonly, “GAAP”) may change the contractor’s accounting status from “going concern” to “wrapping up” because the contractor can no longer perform work. This change in accounting approach may change not only the contractor’s accounting picture, but may also affect the contractor’s tax status. Other tax implications include the treatment of deferred credits and debits or even the repayment of job training or other tax incentives.

Lastly, other business concerns should be evaluated. For instance, during the inactive status period, the contractor should consider maintaining its good standing with the Nevada Secretary of State, as well as maintaining its business licenses. Changes to partnership, shareholder and operating agreements or other business documents may be appropriate. If a contractor lets its status lapse or forms a new entity, rather than reinstating the original filing, he or she *must* apply for a new license.

A contractor considering inactive status should carefully review his general commercial liability insurance coverage to determine if the existing coverage is appropriate for the new status. Additionally, changes to worker’s compensation insurance and other policies may be warranted to accommodate the contractor’s changed status and inability to perform work in the State of Nevada. Because the contractor can no longer do work, arrangements must be made for warranty work.

Conclusion

Contractors have the option of voluntarily placing their license on inactive status and thereby gain benefits by temporarily reducing licensing obligations. However, this decision may have impacts beyond those initially anticipated. Consequently, a wise contractor will seek professional assistance in evaluating the decision prior to filing the application with the Board.

Timothy J. Geswein is an attorney with the law firm Kravitz, Schnitzer, Sloan & Johnson and a licensed Professional Engineer in the State of Nevada.

2010 Nevada State Contractors Board Meetings

The following 2010 Nevada State Contractors Board meetings will take place at: 2310 Corporate Circle, Suite 200, Henderson, NV 89074 and 9670 Gateway Drive, Suite 100, Reno, NV 89521 beginning at 8:30 a.m.

- **January 28, 2010**
- **February 25, 2010**
- **March 25, 2010**
- **April 22, 2010**
- **May 20, 2010**
- **June 17, 2010**
- **July 29, 2010**
- **August 26, 2010**
- **September 23, 2010**
- **October 21, 2010**
- **November 18, 2010**
- **December 16, 2010**

Agendas can be viewed on the website at: www.nscb.state.nv.us under “**Meeting Agendas & Minutes**,” three business days before each meeting. All dates are tentative and subject to change, until a meeting agenda has been officially posted.

Board Needs Sting Houses To Nab Unlicensed Contractors



The Nevada State Contractors Board is asking contractors to become involved in helping to protect their neighborhoods from unlicensed contractors by volunteering their homes for one-day use by undercover NSCB investigators for sting operations.

To learn more on how you can help stop illegal unlicensed contractors from targeting your neighborhood, contact:

- Southern Nevada - Kenny Peppley, Supervisor of Criminal Investigations, (702) 486-1144.
- Northern Nevada (Carson City, Fallon, Elko and other outlying areas) – Fred Schoenfeldt, Investigations Supervisor, (775) 850-7884.

To request an informational packet on how to help fight unlicensed contractors, please send your name, company’s name, license number, address and phone number via e-mail to: nscb_news@lvcoxmail.com
Attention: Ranya Botros