



Nevada State Contractors Board
NEWS RELEASE

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Homeowners Receive Residential Recovery Fund Increase

Margi A. Grein, Executive Officer of the Nevada State Contractors Board announced that the claim limit of the Residential Recovery Fund has been increased to assist homeowners who have been victimized by unscrupulous contractors.

Assembly Bill (AB) 34, endorsed by the Nevada State Contractors Board and sponsored by Assemblyman Barbara Buckley, was signed into law by Governor Guinn, granting homeowners the ability to claim additional compensation when they have been damaged by a contractor's failure to appropriately execute a contract.

Assemblyman Buckley originally proposed the bill to increase the total amount of money that can be paid from \$200,000 to \$400,000 per contractor. Senator John Lee introduced the amendment to the bill that increased the individual claim limit from \$30,000 to \$35,000 per homeowner. The provisions of the bill apply retroactively to claims arising from acts or omissions on or after January 1, 2004. The bill received unanimous support in the Assembly and Senate.

AB-34 also received the support of the construction industry as a way of helping homeowners who have been victimized by bad contractors.

The Residential Recovery Fund was initially established under the sponsorship of Assemblyman Buckley in 1999 and is funded by annual assessments paid to the Board by all residential contractors and receives no funding from the state budget. A homeowner who is damaged by a residential contractor may file a claim against the fund.

The Residential Recovery Fund has paid out approximately \$1,067,000.00 in claims to injured homeowners since the fund was established.

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