

**JOE LOMBARDO**  
Governor

**STATE OF NEVADA**



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**STATE CONTRACTORS BOARD**

**NOTICE OF INTENT TO ACT UPON A REGULATION**

**LCB File No. R048-23**

Notice of Workshop and Hearing for the Adoption, Amendment or Repeal of Regulations  
of  
The State of Nevada Contractors Board

**The State of Nevada Contractors Board (Board) will conduct a public workshop on Thursday February 1, 2024 at 1:00 p.m. and a public hearing on Thursday, February 15, 2024 at 1:00 p.m. The workshop and hearing will be video-conferenced between the Board's Las Vegas office located at 8400 West Sunset Road, Suite 150, Las Vegas, Nevada 89113 and the Reno office located at 5390 Kietzke Lane, Suite 102, Reno, Nevada, 89511**

The following information is provided pursuant to the requirements of NRS 233B.060 and 233B.0603:

- 1. The need for and purpose of the proposed regulation or amendment.**  
The Nevada State Contractors Board proposes amendments to the Administrative Code to amend the financial statement requirements when a licensee or applicant for a contractor's license is required to submit a financial statement to the Board.
- 2. Either the terms or the substance of the regulations to be adopted, amended or repealed or a description of the subjects and issues involved.**  
A copy of the proposed amended regulation is attached to this notice.
- 3. The estimated economic effect of this proposed regulation on the business which it is to regulate and on the public.**
  - (a) Adverse and beneficial effects.**  
There is no economic adverse or beneficial effect on the businesses the Board regulates or on the public. However, the cost for some businesses to obtain a financial statement may be less as a result of the proposed regulation.
  - (b) Both immediate and long-term effects.**  
There is no immediate or long-term effect.
- 4. The methods used by the agency to determine the impact on small business.**  
No adverse economic effects were determined based on the proposed regulation changes do not adversely affect NRS Chapter 624 licensees or those who may seek to become a licensee. These changes should have no impact on small business.
- 5. The estimated cost to the agency for the enforcement of the proposed regulation.**  
There is no cost to the agency.

**6. A description of and citation to any regulations of other states or local governmental agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication and overlapping is necessary.**

The Nevada State Contractors Board is not aware of any similar regulations of other state or government agencies that the proposed regulations overlap or duplicate.

**7. If the regulation is required pursuant to federal law, a citation and description of the federal law.**

This does not apply.

**8. If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.**

This does not apply.

**9. Whether proposed regulation establishes a new fee or increases an existing fee.**

The proposed regulation does not establish new fees or increase existing fees.

Persons wishing to comment upon the proposed action of the Board may appear at the scheduled public workshop or public hearing or may address their comments, data, views or arguments, in written form to the Executive Officer of the Nevada State Contractors Board, 8400 West Sunset Road, Suite 150, Las Vegas, Nevada 89113 and the Reno office located at 5390 Kietzke Lane, Suite 102, Reno, Nevada, 89511. Written submissions must be received by the Board on or before January 26, 2024. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Board may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be adopted, amended or repealed will be on file at the State Library, Archives and Public Records, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notices and the regulation to be adopted, amended or repealed will be available at the State Contractors Board 8400 West Sunset Road, Suite 150, Las Vegas, Nevada 89113 and the Reno office located at 5390 Kietzke Lane, Suite 102, Reno, Nevada, 89511, and [www.nscb.nv.gov](http://www.nscb.nv.gov), for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the internet at <http://www.leg.state.nv.us/>. Copies of this notice and the proposed regulation will also be mailed to members of the public at no charge upon request.

Upon adoption of any regulation, the board, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice has been mailed to all persons on the agency's mailing list of administrative regulations and posted at the following locations:

Nevada State Contractors Board – Reno Office  
Nevada State Contractors Board – Las Vegas Office  
Nevada State Contractors Board – Internet Website  
Nevada Public Notice Website

Dated: January 8, 2024

**PROPOSED REGULATION OF THE  
STATE CONTRACTORS' BOARD**

**LCB File No. R048-23**

September 21, 2023

EXPLANATION – Matter in *italics* is new, matter in brackets ~~omitted material~~ is material to be omitted

AUTHORITY: § 1, NRS 624.100 and 624.220.

A REGULATION relating to contractors; revising provisions governing financial statements required to be submitted to the State Contractors' Board for the purpose of determining qualifications for licensure and monetary limits for licenses; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires applicants for a contractor's license and licensed contractors to demonstrate to the State Contractors' Board certain qualifications for licensure, including, without limitation, financial responsibility. (NRS 624.260) Existing law also requires the Board to establish a monetary limit on a contractor's license, which represents the maximum contract a licensed contractor may undertake on one or more construction contracts on a single construction site or subdivision site for a single client. (NRS 624.220) In determining the monetary limit of a license, the Board is required to consider the financial responsibility of the applicant or licensed contractor. (NRS 624.220, 624.262, 624.263, 624.264) Under existing regulations, if an applicant for a contractor's license or a licensed contractor is required to submit a financial statement to the Board to establish the financial responsibility of the applicant or licensed contractor, the type of financial statement that the applicant or licensed contractor is required to submit is determined by the requested monetary limit of the license. (NAC 624.593) This regulation increases the amounts of the requested monetary limits that are used to determine the type of financial statement that an applicant or licensed contractor is required to submit to the Board.

**Section 1.** NAC 624.593 is hereby amended to read as follows:

624.593 If a licensee or an applicant for a contractor's license is required to submit a financial statement to the Board pursuant to NRS 624.262, 624.263 or 624.264, the financial statement must be:

1. If the requested monetary limit of the license is ~~[\$10,000]~~ *\$25,000* or less ~~[-]~~, *either:*

- (a) Prepared by an independent certified public accountant;
- (b) Submitted on a form prescribed by the Board and accompanied by an affidavit that verifies the accuracy of the financial statement; or
- (c) Prepared using accounting software in accordance with generally accepted accounting principles and accompanied by an affidavit that verifies the accuracy of the financial statement.

2. If the requested monetary limit of the license is more than ~~[\$10,000]~~ **\$25,000** but less than ~~[\$50,000:]~~ **\$500,000, either:**

- (a) Prepared and compiled by an independent certified public accountant within 6 months before the filing of the application; or
- (b) Prepared and reviewed or audited by an independent certified public accountant within 1 year before the filing of the application.

3. If the requested monetary limit of the license is ~~[\$50,000]~~ **\$500,000** or more but less than ~~[\$250,000:]~~ **\$1,000,000, either:**

- (a) Prepared and compiled by an independent certified public accountant with full disclosures within 6 months before the filing of the application; or
- (b) Prepared and reviewed or audited by an independent certified public accountant within 1 year before the filing of the application.

4. If the requested monetary limit of the license is ~~[\$250,000]~~ **\$1,000,000** or more, prepared and reviewed or audited by an independent certified public accountant within 1 year before the filing of the application.

## Small Business Impact Statement

EFFECTIVE DATE OF REGULATION:  
Upon filing with the Nevada Secretary of State  
**Proposed Regulation R048-23**

### 1. Background

The Nevada State Contractors Board (NSCB) proposes amendments to the Administrative Code to establish the financial statement requirements when a licensee or applicant for a contractor's license is required to submit a financial statement to the Board.

### 2. Description of Solicitation:

The NSCB has determined that the proposed regulation changes should not have an adverse financial impact upon a small business; therefore, a solicitation process was not entered into. The proposed regulation changes are not expected to negatively impact the formation, operation, or expansion of a small business in Nevada.

### 3. Does the proposed regulation impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business?

Pursuant to NRS 233B.0608, the NSCB made a concerted effort to determine whether the proposed regulation was likely to: 1) impose a direct and significant economic burden upon a small business, or 2) directly restrict the formation, operation, or expansion of a small business. As a result of this effort, the NSCB determined that there is no impact upon small business as a result of the proposed regulation.

### 4. How was that conclusion reached?

No adverse economic effects were identified because the proposed regulation changes do not adversely affect NRS Chapter 624 licensee or those who may seek to become a licensee. These changes should have no impact on small business.

**I, Margi Grein, Executive Officer of the Nevada State Contractors Board, certify to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small business, and the information contained in this statement above is accurate.**

Date: 1/8/24

Signature:   
Margi Grein, Executive Officer  
Nevada State Contractors Board