



NSCB News Release



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\$107,000 AWARDED TO HOMEOWNERS FROM THE RESIDENTIAL RECOVERY FUND IN NOVEMBER

RENO and HENDERSON, Nev. – The Nevada State Contractors Board’s Residential Recovery Fund Subcommittee met on November 14 and awarded more than \$107,000 to homeowners damaged by licensed contractors. Ten of the 11 claimants received compensation for an average award of just more than \$10,000.

One claimant received the maximum award of \$35,000 after filing a claim with the Board against a contractor whose license was revoked for failure to establish financial responsibility and committing a fraudulent or deceitful act, among others. According to Board files, an equipment rental company placed a lien on the complainant’s property after the contractor failed to pay for machinery. The property owner paid the rental company, and the lien was removed.

Three homeowners received a total of \$40,370 (\$20,000, \$18,000 and \$2,370) after the Board found that no work was performed by the then-licensed contractor after taking payments for kitchen and condominium remodeling projects. That company had its residential and small commercial license revoked in 2016 for – among other findings – failure to prosecute a project with reasonable diligence and substandard workmanship and its plumbing and heating license taken away in 2018 after the Board substantiated similar allegations.

Two claimants who had entered into contracts with a renewable energy contractor received \$11,700 and \$6,250, respectively, for down payments on solar batteries that were never installed. The company, whose electrical contracting license was revoked in 2017, was found to have abandoned a

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construction project and failed to comply with the terms of a contract. Another homeowner was awarded more than \$18,000 at July's Recovery Fund hearing.

Since the beginning of the fiscal year on July 1, the Recovery Fund Committee has awarded nearly \$200,000.

“Owners of single-family residences should always use licensed Nevada contractors for home repair or improvement projects to afford themselves the opportunity to be eligible for financial recourse in the event their project doesn't go as planned,” said NSCB Executive Officer Margi Grein. “The State Legislature established the Residential Recovery Fund in 1999 to give homeowners additional protections, and it has since awarded more than \$11 million to financially harmed individuals.”

The Recovery Fund is available to Nevada owners of single-family residences who conduct business with licensed contractors for the performance of any construction, remodeling, repair or improvement project. Owners must occupy the residence to qualify. An applicant's eligibility to receive funds is determined after an investigation is conducted by NSCB.

Nevada Revised Statutes 624.520 requires contractors performing residential work to provide homeowners information regarding the Residential Recovery Fund in the residential contract.

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.

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