



Nevada State Contractors Board

STRATEGIC PLAN

*EXECUTIVE OFFICER REPORT
QUARTER THREE REPORT*

January 1 to March 31, 2024



Members of the Board

Boyd Martin, *Chairman*

Margaret Cavin, *Treasurer*

Bryan Cowart

Joe Hernandez

Kent Lay

Jan B. Leggett

Louis Polish, Jr.

Executive Leadership

Margi Grein, *Executive Officer*

Susan Broili-Kamesch, *Licensing Administrator*

David Behar, *Director of Investigations*

Randy Escamilla, *Public Information Officer*

Brian Hayashi, *Information Technology Manager*

Mission Statement

The Nevada State Contractors Board (NSCB) is committed to ensuring the integrity and professionalism of the construction industry in Nevada. The NSCB has the responsibility to promote quality construction by Nevada licensed contractors through a regulatory licensing system designed to protect the health, safety and welfare of the public.

members
and



Message from the Executive Officer

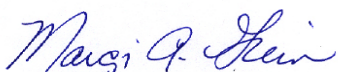
As winter transitions into spring, homeowners across the state are gearing up for new home improvement projects as the Nevada State Contractors Board continues its outreach efforts to educate and inform the public of the importance of hiring licensed contractors. Through several initiatives conducted during the third quarter, we have welcomed significant media coverage on unlicensed contractor scams, Residential Recovery Fund protections, and the value of a contractor's license.

Our Licensing Department further supports our outreach by keeping the industry apprised of the laws and expectations required of Nevada's contractor license holders. Among the content distributed, of greatest value has been information on the Residential Recovery Fund and Assembly Bill 39, which provides an overview of changes to contracting practices for residential improvement projects.

The Investigations Department has remained vigilant in its response to construction-related complaints. Some of the more notable trends referenced this reporting period are centered on residential solar projects found to utilize unlawful tactics, predatory sales practices, and involve the use of unlicensed contractors. The Board has placed priority focus on consumer protection in this regard through its enhanced complaint tracking system and proactive intervention strategies.

In addition to our outreach efforts, the Board held its 4th Annual Hammers and Hope events, which promote and encourage the inclusion of women in construction careers, and attended events that allowed us to engage members of the Latino community and senior citizens alike on safeguarding against home repair scams.

Although our mission remains constant, it is the diversification, innovation, and forward-thinking behind our efforts that remains evolving. The Contractors Board is committed to promoting excellence and ensuring public safety, and we look forward to having each of our vital services accessed by all Nevadans who can benefit from them.



MARGI A. GREIN
Nevada State Contractors Board Executive Officer

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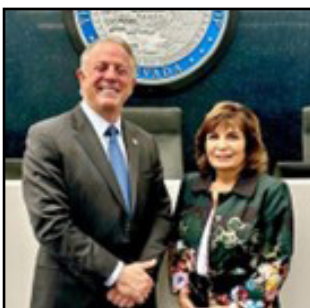
Executive Officer - Quarter Highlights

Hammers & Hope A Growing Success



NSCB Executive Officer Margi Grein speaks with women at the Las Vegas Hammers & Hope event on March 8 at the College of Southern Nevada.

The Nevada State Contractors Board's signature event designed to encourage women to enter the contracting field is growing as never before. Now, in its fourth year, Hammers & Hope saw the largest number of women attending events in both Reno and in Las Vegas. About 200 women turned out to hear about construction careers and learn how to enter the industry. The annual event coincides with Women in Construction Week.



Governor Joe Lombardo and Executive Officer Margi Grein inside the NSCB Board Room.

Contractors Board Advocacy Leads to Discussion with State Officials

Executive Officer Grein met with top state leaders, including Governor Lombardo and Business and Industry Department Director Dr. Kristopher Sanchez, to discuss trends and laws affecting the industry and homeowners.

Construction Trends a Focus of Industry Meetings with Executive Officer Grein

The Executive Officer also met with construction industry leaders throughout the state to discuss current trends within Nevada. Economic forecasts for the industry anticipate strong and sustained growth for the immediate future.



NSCB Executive Officer Margi Grein with Nevada Contractors Association CEO Ann Barnett.

NSCB Welcomes Heightened Media Coverage During 3rd Quarter

Since January 2024, the NSCB has been highlighted in news stories every week from Las Vegas to Reno. Stories have focused on the NSCB's Residential Recovery Fund, scrutiny of the residential solar industry, unlicensed criminal activity, and the Hammers & Hope events encouraging women to learn more about careers in construction.



Executive Officer Margi Grein gets interviewed by TV news reporters in Reno on March 7 at Truckee Meadows Community College.

Executive Officer - Quarter Highlights

New Member Appointed to Commission on Construction Education

The Commission on Construction Education is responsible for awarding grants to organizations with innovative, creative and cost-effective educational programs to attract and retain a highly qualified workforce. In January, Governor Lombardo named Las Vegas resident Edward Abraham to the Commission. Mr. Abraham has served as the training director at the Sheet Metal Workers Local 88 Joint Apprenticeship & Training Fund, Inc. for the past six years.



Southern Nevada NSCB Compliance Investigators Attend EduCode

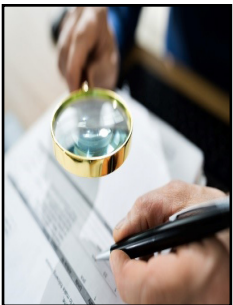
Keeping up with industry trends and changes is important. This year the compliance team from Southern Nevada attended the International EduCode Conference. The team went to stay current on changes in building codes and learn changes within the construction industry. EduCode is an annual conference sponsored by the Southern Nevada International Code Council providing continuing education to thousands within the industry.



The NSCB compliance investigators at the International EduCode Conference in Las Vegas. The investigators, pictured left to right, are Carl Hilbish, Damien Bilyeu, Raymond Zack, Josue Barrera, Patrick Peterson, Mark Shryock.

Northern Nevada NSCB Offices Host Underground Economy Interagency Task Force

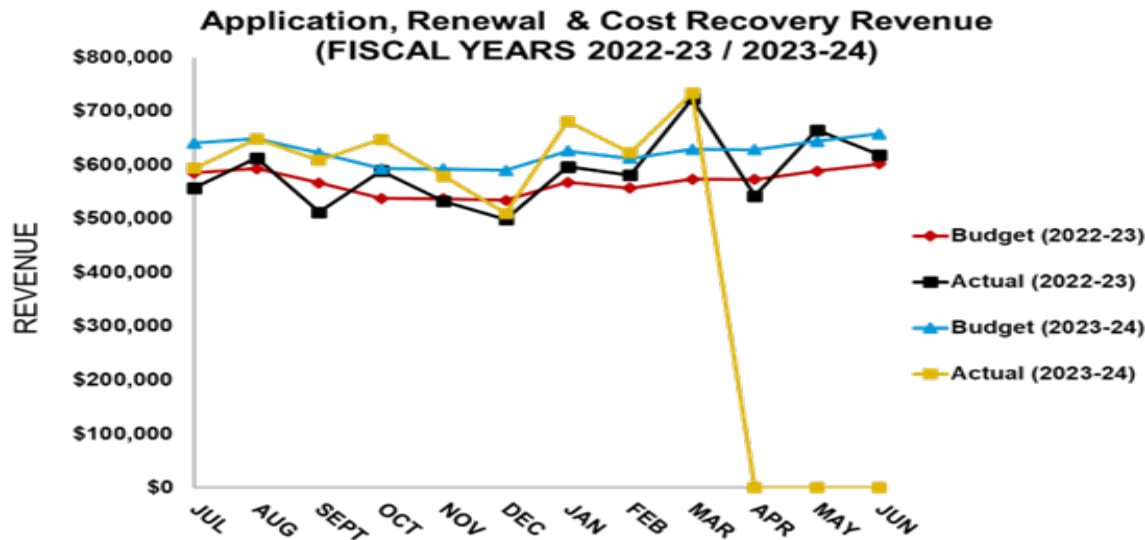
Partners from Business and Industry, the Labor Commission, Northern Nevada Building Departments, the Nevada Department of Employment, Training and Rehabilitation (workers' compensation), OSHA, and the Nevada Attorney General's Office met at the NSCB's Reno Offices. Discussion focused on current ongoing investigations within the state.



Licensing & Cost Recovery - Data Dashboard

| Budget (2022-23) | JULY-22 | AUG-22 | SEPT-22 | OCT-22 | NOV-22 | DEC-22 | JAN-23 | FEB-23 | MAR-23 | APR-23 | MAY-23 | JUN-23 | TOTALS |
|---------------------------|------------|------------|-------------|------------|------------|------------|------------|------------|------------|-------------|-------------|-------------|---------------|
| License Renewals | \$390,000 | \$398,000 | \$374,000 | \$345,000 | \$345,000 | \$342,100 | \$375,000 | \$365,000 | \$381,000 | \$380,000 | \$395,000 | \$409,900 | \$4,500,000 |
| New License Fee | \$67,916 | \$67,917 | \$67,917 | \$67,916 | \$67,917 | \$67,917 | \$67,916 | \$67,917 | \$67,917 | \$67,916 | \$67,917 | \$67,917 | \$815,000 |
| Application Fee | \$56,250 | \$56,250 | \$56,250 | \$56,250 | \$56,250 | \$56,250 | \$56,250 | \$56,250 | \$56,250 | \$56,250 | \$56,250 | \$56,250 | \$675,000 |
| License Changes | \$39,583 | \$39,583 | \$39,584 | \$39,583 | \$39,583 | \$39,584 | \$39,583 | \$39,583 | \$39,584 | \$39,583 | \$39,583 | \$39,584 | \$475,000 |
| Investigative Recov Costs | \$18,750 | \$18,750 | \$18,750 | \$18,750 | \$18,750 | \$18,750 | \$18,750 | \$18,750 | \$18,750 | \$18,750 | \$18,750 | \$18,750 | \$225,000 |
| Renewal Late Fees | \$6,750 | \$6,750 | \$6,750 | \$6,750 | \$6,750 | \$6,750 | \$6,750 | \$6,750 | \$6,750 | \$6,750 | \$6,750 | \$6,750 | \$81,000 |
| Renewal Inactive Fee | \$5,725 | \$5,875 | \$3,325 | \$3,525 | \$3,075 | \$3,225 | \$3,625 | \$2,425 | \$3,325 | \$3,625 | \$4,225 | \$3,025 | \$45,000 |
| TOTALS | JUL | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | |
| | \$584,974 | \$593,125 | \$566,576 | \$537,774 | \$537,325 | \$534,576 | \$567,874 | \$556,675 | \$573,576 | \$572,874 | \$588,475 | \$602,176 | \$6,816,000 |
| Actual (2022-23) | JULY-22 | AUG-22 | SEPT-22 | OCT-22 | NOV-22 | DEC-22 | JAN-23 | FEB-23 | MAR-23 | APR-23 | MAY-23 | JUN-23 | TOTALS |
| License Renewals | \$381,340 | \$380,850 | \$346,650 | \$416,425 | \$354,625 | \$326,278 | \$407,097 | \$393,000 | \$477,188 | \$342,750 | \$438,225 | \$386,325 | \$4,650,753 |
| New License Fee | \$55,500 | \$69,200 | \$52,000 | \$50,700 | \$62,600 | \$55,000 | \$66,750 | \$62,850 | \$72,600 | \$63,750 | \$72,300 | \$75,600 | \$758,850 |
| Application Fee | \$48,000 | \$60,000 | \$52,200 | \$45,100 | \$55,200 | \$50,100 | \$59,400 | \$56,700 | \$73,500 | \$60,600 | \$72,300 | \$75,900 | \$709,000 |
| License Changes | \$35,955 | \$44,620 | \$38,425 | \$41,050 | \$40,225 | \$43,525 | \$40,200 | \$45,500 | \$53,375 | \$36,975 | \$46,025 | \$44,000 | \$509,875 |
| Investigative Recov Costs | \$22,938 | \$40,796 | \$12,279 | \$18,271 | \$9,032 | \$12,289 | \$11,172 | \$11,690 | \$33,207 | \$26,478 | \$23,071 | \$22,941 | \$244,162 |
| Renewal Late Fees | \$8,025 | \$11,888 | \$8,363 | \$13,863 | \$7,373 | \$8,288 | \$8,362 | \$8,213 | \$8,475 | \$8,250 | \$8,138 | \$9,713 | \$108,947 |
| Renewal Inactive Fee | \$5,700 | \$5,700 | \$2,700 | \$3,750 | \$3,450 | \$3,600 | \$4,050 | \$3,000 | \$4,800 | \$3,600 | \$4,650 | \$4,200 | \$49,200 |
| TOTALS | JUL | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | |
| | \$557,458 | \$613,053 | \$512,617 | \$589,158 | \$532,504 | \$499,079 | \$597,031 | \$580,952 | \$723,145 | \$542,403 | \$664,708 | \$618,678 | \$7,030,787 |
| Variance (2022-2023) | JULY-22 | AUG-22 | SEPT-22 | OCT-22 | NOV-22 | DEC-22 | JAN-23 | FEB-23 | MAR-23 | APR-23 | MAY-23 | JUN-23 | TOTALS |
| License Renewals | (\$8,660) | (\$17,150) | (\$27,350) | \$71,425 | \$9,625 | (\$15,822) | \$32,097 | \$28,000 | \$96,188 | (\$37,250) | \$43,225 | (\$23,575) | \$150,753 |
| New License Fee | (\$12,416) | \$1,283 | (\$15,917) | (\$17,216) | (\$5,317) | (\$12,917) | (\$1,166) | (\$5,067) | \$4,683 | (\$4,166) | \$4,383 | \$7,683 | (\$56,150) |
| Application Fee | (\$8,250) | \$3,750 | (\$4,050) | (\$11,150) | (\$1,050) | (\$6,150) | \$3,150 | \$450 | \$17,250 | \$4,350 | \$16,050 | \$19,650 | \$34,000 |
| License Changes | (\$3,628) | \$5,037 | (\$1,159) | \$1,467 | \$642 | \$3,941 | \$617 | \$5,917 | \$13,791 | (\$2,608) | \$6,442 | \$4,416 | \$34,875 |
| Investigative Recov Costs | \$4,188 | \$22,046 | (\$6,471) | (\$4,797) | (\$9,718) | (\$6,461) | (\$7,578) | (\$7,060) | \$14,457 | \$7,728 | \$4,321 | \$4,191 | \$19,162 |
| Renewal Late Fees | \$1,275 | \$5,138 | \$1,613 | \$7,113 | \$623 | \$1,538 | \$1,612 | \$1,463 | \$1,725 | \$1,500 | \$1,388 | \$2,963 | \$27,947 |
| Renewal Inactive Fee | (\$25) | (\$175) | (\$625) | \$225 | \$375 | \$375 | \$425 | \$575 | \$1,475 | (\$25) | \$425 | \$1,175 | \$4,200 |
| TOTALS | JUL | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | |
| | (\$27,516) | \$19,928 | (\$3,959) | \$51,384 | (\$4,821) | (\$35,497) | \$29,157 | \$24,277 | \$149,569 | (\$30,471) | \$76,233 | \$16,502 | \$214,787 |
| Budget (2023-24) | JULY-23 | AUG-23 | SEPT-23 | OCT-23 | NOV-23 | DEC-23 | JAN-24 | FEB-24 | MAR-24 | APR-24 | MAY-24 | JUN-24 | TOTALS |
| License Renewals | \$423,000 | \$431,000 | \$407,000 | \$378,000 | \$378,100 | \$375,100 | \$411,000 | \$398,000 | \$414,300 | \$413,000 | \$428,300 | \$443,200 | \$4,900,000 |
| New License Fee | \$65,833 | \$65,836 | \$65,836 | \$65,832 | \$65,832 | \$65,832 | \$65,832 | \$65,833 | \$65,832 | \$65,835 | \$65,832 | \$65,835 | \$790,000 |
| Application Fee | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$750,000 |
| License Changes | \$47,917 | \$47,916 | \$47,917 | \$47,917 | \$47,916 | \$47,917 | \$47,917 | \$47,916 | \$47,917 | \$47,916 | \$47,917 | \$47,917 | \$575,000 |
| Investigative Recov Costs | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$300,000 |
| Renewal Late Fees | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$120,000 |
| Renewal Inactive Fee | \$6,225 | \$6,375 | \$3,825 | \$4,025 | \$3,575 | \$3,725 | \$4,125 | \$2,925 | \$3,825 | \$4,125 | \$4,725 | \$3,525 | \$51,000 |
| TOTALS | JUL | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | |
| | \$640,475 | \$648,627 | \$622,078 | \$593,274 | \$592,923 | \$590,074 | \$626,374 | \$612,174 | \$629,374 | \$628,376 | \$644,274 | \$657,977 | \$7,486,000 |
| Actual (2023-24) | JULY-23 | AUG-23 | SEPT-23 | OCT-23 | NOV-23 | DEC-23 | JAN-24 | FEB-24 | MAR-24 | APR-24 | MAY-24 | JUN-24 | TOTALS |
| License Renewals | \$409,500 | \$410,590 | \$419,615 | \$434,200 | \$385,080 | \$321,968 | \$448,687 | \$397,350 | \$469,638 | | | | \$3,696,628 |
| New License Fee | \$54,900 | \$61,800 | \$55,800 | \$54,000 | \$62,600 | \$61,150 | \$79,400 | \$73,900 | \$76,200 | | | | \$579,750 |
| Application Fee | \$56,700 | \$75,900 | \$60,300 | \$65,700 | \$66,300 | \$63,300 | \$75,000 | \$73,500 | \$86,100 | | | | \$622,800 |
| License Changes | \$45,025 | \$51,100 | \$39,950 | \$43,650 | \$35,550 | \$38,575 | \$50,700 | \$51,450 | \$55,325 | | | | \$411,325 |
| Investigative Recov Costs | \$14,396 | \$30,111 | \$14,709 | \$30,734 | \$17,437 | \$14,983 | \$14,414 | \$13,652 | \$33,976 | | | | \$184,412 |
| Renewal Late Fees | \$9,075 | \$12,225 | \$14,875 | \$14,950 | \$9,688 | \$7,725 | \$9,163 | \$8,563 | \$8,678 | | | | \$94,940 |
| Renewal Inactive Fee | \$4,200 | \$7,050 | \$3,450 | \$4,350 | \$2,570 | \$2,550 | \$3,880 | \$4,500 | \$3,900 | | | | \$36,450 |
| TOTALS | JUL | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | |
| | \$593,796 | \$648,776 | \$608,699 | \$647,584 | \$579,225 | \$510,251 | \$681,244 | \$622,914 | \$733,816 | \$0 | \$0 | \$0 | \$5,626,305 |
| Variance (2023-24) | JULY-23 | AUG-23 | SEPT-23 | OCT-23 | NOV-23 | DEC-23 | JAN-24 | FEB-24 | MAR-24 | APR-24 | MAY-24 | JUN-24 | TOTALS |
| License Renewals | (\$13,500) | (\$20,410) | \$12,615 | \$56,200 | \$6,980 | (\$53,132) | \$37,687 | (\$650) | \$55,338 | (\$413,000) | (\$428,300) | (\$443,200) | (\$1,203,373) |
| New License Fee | (\$10,933) | (\$4,036) | (\$10,036) | (\$11,832) | (\$3,232) | (\$4,682) | \$13,568 | \$8,067 | \$10,368 | (\$65,835) | (\$65,832) | (\$65,835) | (\$210,250) |
| Application Fee | (\$5,800) | \$13,400 | (\$2,200) | \$3,200 | \$3,800 | \$800 | \$12,500 | \$11,000 | \$23,600 | (\$62,500) | (\$62,500) | (\$62,500) | (\$127,200) |
| License Changes | (\$2,892) | \$3,184 | (\$7,967) | (\$4,267) | (\$12,366) | (\$9,342) | \$2,783 | \$3,534 | \$7,408 | (\$47,916) | (\$47,917) | (\$47,917) | (\$163,675) |
| Investigative Recov Costs | (\$10,604) | \$5,111 | (\$10,291) | \$5,734 | (\$7,563) | (\$10,017) | (\$10,586) | (\$11,348) | \$8,976 | (\$25,000) | (\$25,000) | (\$25,000) | (\$115,588) |
| Renewal Late Fees | (\$925) | \$2,225 | \$4,875 | \$4,950 | (\$313) | (\$2,275) | (\$838) | (\$1,438) | (\$1,323) | (\$10,000) | (\$10,000) | (\$10,000) | (\$25,060) |
| Renewal Inactive Fee | (\$2,025) | \$675 | (\$375) | \$325 | (\$1,005) | (\$1,175) | (\$245) | \$1,575 | \$75 | (\$4,125) | (\$4,725) | (\$3,525) | (\$14,550) |
| TOTALS | JUL | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | |
| | (\$46,679) | \$149 | (\$13,379) | \$54,310 | (\$13,698) | (\$79,823) | \$54,870 | \$10,740 | \$104,442 | (\$628,376) | (\$644,274) | (\$657,977) | (\$1,859,695) |

Licensing & Cost Recovery - Data Dashboard



| JANUARY TO MARCH 2024 | |
|--|----------|
| Licenses (Beginning of Quarter) | 18,181 |
| New Licenses Issued | 423 |
| Licenses Cancelled / Surrendered / Revoked | (290) |
| Variance in Suspended/Reinstated Licenses | 33 |
| Licenses (End of Quarter) | 18,347 |
| # of Licenses on January 1, 2024 | 18,181 |
| # of Licenses on March 31, 2024 | 18,347 |
| Licenses Gained / Lost | 166 |
| Renewal Revenue Gained / Lost | \$99,600 |
| *Does not include suspended licenses | |

| FISCAL YTD LICENSING FEE TOTALS (FY 2023-2024) | | | |
|--|-----------|-----------|----------|
| LICENSING FEES | Q3 BUDGET | Q3 ACTUAL | VARIANCE |
| License Renewals | 1,223,300 | 1,315,675 | 92,375 |
| New License Fee | 197,497 | 229,500 | 32,003 |
| Application Fee | 187,500 | 234,600 | 47,100 |
| License Changes | 143,750 | 157,475 | 13,725 |
| Invest. Recovery Costs | 75,000 | 62,042 | (12,958) |
| Renewal Late Fees | 30,000 | 26,403 | (3,598) |
| Renewal Inactive Fee | 10,875 | 12,280 | 1,405 |

| 90 DAY RETENTION RATE | | | |
|-----------------------------------|-----------------|--------------|---------|
| Projected Year-End Retention Rate | January 2024 | 18,181 | |
| | Cancellations | (290) | (1.58%) |
| | New Licenses | 423 | 2.31% |
| | Susp/Reinstated | 33 | 0.18% |
| | March 2024 | 18,347 | |
| | Change | 166 | |
| 3 Month Rolling | % Change | 0.90% | |

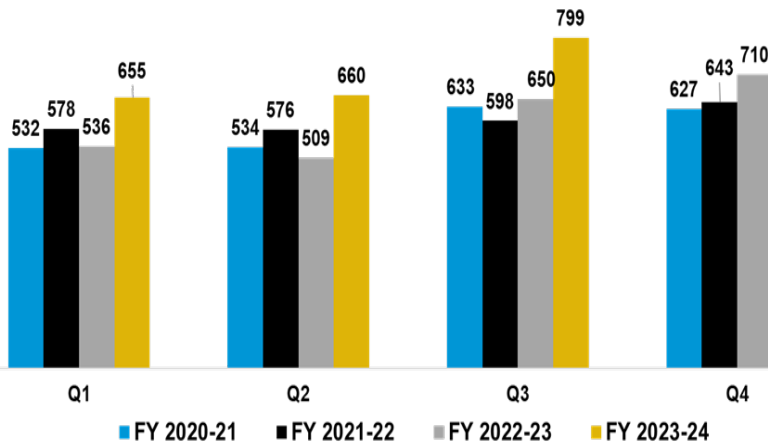
| 180 DAY RETENTION RATE | | | |
|-----------------------------------|-----------------|--------------|---------|
| Projected Year-End Retention Rate | October 2023 | 18,030 | |
| | Cancellations | (556) | (3.03%) |
| | New Licenses | 750 | 4.09% |
| | Susp/Reinstated | 58 | 0.32% |
| | March 2024 | 18,347 | |
| | Change | 317 | |
| 6 Month Rolling | % Change | 1.73% | |

Licensing - Quarter Statistics

| | | |
|--|--------|------------------------------|
| New License Apps | 799 | (23%) |
| Issued Licenses | 423 | (33%) |
| Change Apps | 872 | (2%) |
| Active Licenses | 17,934 | (2%) |
| Inactive Licenses | 413 | (8%) |
| Placed on Inactive Status | 29 | (45%) |
| Voluntary Surrender | 86 | (2%) |
| Licenses Canceled, Not Renewed | 196 | (23%) |
| Licenses Revoked | 8 | (14%) |
| License Suspensions (no bond) | 201 | (9%) |
| License Suspensions Initiated (DETR/DIR) | 36 | (29%) |
| • Compliance with DETR/DIR Received | 29 | (16%) |
| • Suspended | 1 | (50%) |
| • Pending Suspension | 0 | (100%) |
| <hr/> | | |
| Active License Renewals | 2,260 | (6%) |
| Inactive License Renewals | 49 | (23%) |
| Online Renewals | 1,717 | (74% of all renewals) |
| New Online Registrations | 563 | (15,320 total registered) |
| Application Denial Hearings | 5 | (55%) |
| Financial Reviews Initiated | 8 | (0%) |
| • 6 Approved; 2 Pending | | |
| <hr/> | | |
| CMS Exams | 519 | (19%) |
| Trade Exams | 531 | (28%) |
| NASCLA Exam Transcripts | 36 | (57%) |
| • General Building Exam Waiver | 5 | (55%) |
| Licensure by Endorsement | 42 | (5% of all new applications) |
| • Trade & Experience | 35 | |
| • Experience Only | 7 | |
| Certificates of Eligibility Requests | 8 | (0%) |
| Certificates of Eligibility Renewals | 98 | (4%) |
| Single Project Limit Increases | 22 | (12%) |
| <hr/> | | |
| Contractors Identified As Veterans | 98 | (48%) |
| Business Assistance Program Attendees | 65 | (44%) |
| Licensing Assistance Program Attendees | 19 | |
| Public Records Requests | 46 | (171%) |
| Total Calls Received | 10,565 | |

Licensing - New License Trends

NEW LICENSE APPLICATIONS

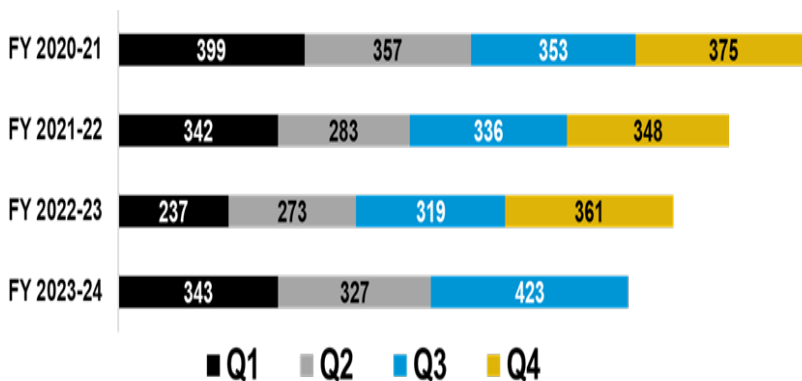


The positive trend in new license applications continues in the 3rd quarter of FY 2023-24, where a 23% gain over the same period last year was realized. Continued growth in construction demand across the state is likely driving the interest in new licensure, although the data in this regard is not tracked by the Board. The 32% increase in pending applications highlights this trend, which can also be attributed to delays as additional information is being requested by the Board.

Despite the increased volume of applications, the Board was able to approve 21% more applications and reduce those that were denied by 57%. While these figures are often impacted by the completeness of each application, the increased approval rate is likely a result of the growing use of the Board's online application, ongoing efforts to streamline the licensing application and process, as well as participation of applicants in the Business Assistance Program.

| OUTCOME | Q3 2023 | Q3 2024 | % Change |
|----------|---------|---------|----------|
| Received | 650 | 799 | 23% |
| Approved | 424 | 512 | 21% |
| Tabled | 11 | 11 | 0% |
| Denied | 14 | 6 | -57% |
| Pending | 774 | 1023 | 32% |

NEW LICENSES ISSUED



| Primary Class. | Trade | 3RD QUARTER | | | % Change from Q3 2022-23 |
|----------------|----------------------------------|-------------|--------------|-------|--------------------------|
| | | In State | Out of State | Total | |
| B | General Building | 41 | 30 | 71 | 29% |
| C-2 | Electrical | 30 | 25 | 55 | 62% |
| A | General Engineering | 24 | 27 | 51 | 46% |
| C-3 | Carpentry | 34 | 7 | 41 | 37% |
| C-4 | Painting | 23 | 7 | 30 | 50% |
| C-21 | Refrigeration & Air Conditioning | 21 | 4 | 25 | 39% |
| C-14 | Steel Reinforcing & Erection | 10 | 8 | 18 | 29% |

As would be expected with an increase in the number of new license applications received, the Board noticed a 33% increase in the number of licenses issued during the reporting period, compared to the same period last year. Notable within this trend is the 30%+ increase among the top five license applications received year-over-year. This indicates the construction needs across the state remained varied yet focused on the key trades associated with new building construction and remediation projects.

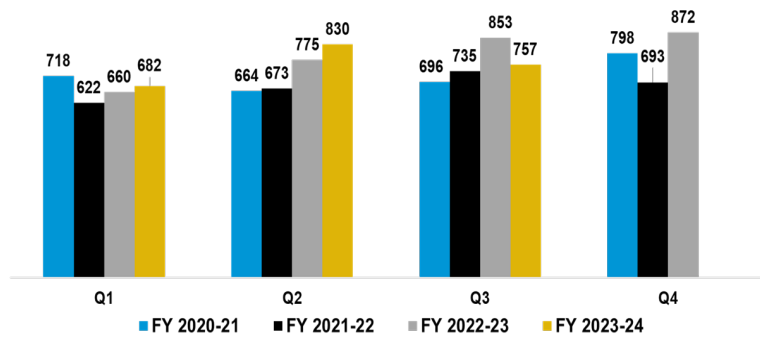
Licensing - License & Renewal Trends

LICENSE BY ENDORSEMENT

| Classification | Trade & Experience | | Trade Only | | Experience Only | |
|-----------------|--------------------|---------------|---------------|---------------|-----------------|---------------|
| | Q3 FY 2023-24 | Q3 FY 2022-23 | Q3 FY 2023-24 | Q3 FY 2022-23 | Q3 FY 2023-24 | Q3 FY 2022-23 |
| | A | 5 | 4 | | | |
| AB | | 12 | | | | |
| B | 16 | | | | 2 | 1 |
| C-2 | 7 | 1 | | | 2 | |
| C-3 | | | | | 1 | |
| C-4 | 1 | | | | | |
| C-5 | | 1 | | | | |
| C-6 | | | | | | |
| C-8 | | | | | 1 | |
| C-10 | 2 | | | | | |
| C-15 | | 1 | | | | |
| C-16 | | 1 | | | | |
| C-17 | | | | | | |
| C-18 | | | | | 1 | |
| C-20 | 2 | | | | | |
| C-21 | | | | | | |
| C-23 | 1 | | | | | |
| C-41 | 1 | 1 | | | | |
| TOTALS | 35 | 21 | 0 | 0 | 7 | 3 |
| % Change | 66% | | 0% | | 133% | |

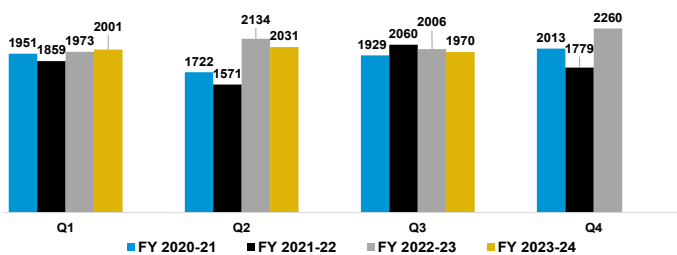
Although not widely utilized in comparison to the number of new applications received, licensure by endorsement noticed significant gains this quarter over the third quarter last year. Those seeking endorsement of trade and experience increased by 66%, whereas experience only requests rose 133%.

LICENSE CHANGE APPLICATIONS

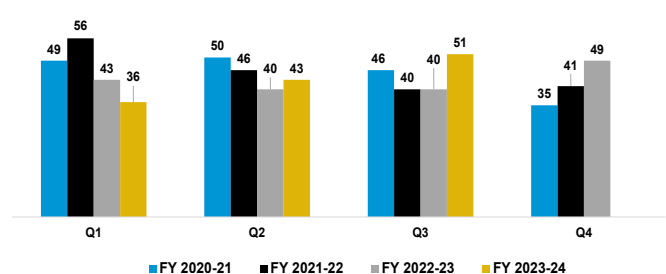


Unlike the decline of the previous quarter statistics, the third quarter reflects a more consistent upward trend noticed over years prior. License change applications are up 2% over the same period last year, again, reflecting the adapting need of licensed contractors to adjust their construction trade offerings to meet the growing demands across the state.

ACTIVE LICENSE RENEWALS



INACTIVE LICENSE RENEWALS



With regard to license renewals, both active and inactive realized gains during the third quarter compared to FY 2022-23. Active license renewals are up slightly at 6% with inactive renewals up 23%. Not referenced, but noteworthy are the increases in online renewals and registrations also being experienced. To-date, nearly 85% of actively licensed contractors are enrolled in online services, with 75% utilizing this automated process for license renewal.

Licensing - Quarter Highlights

ONGOING RULEMAKING FOCUSES ON CONTRACTOR REQUIREMENTS

To better serve its customers, the Board held rulemaking workshops and hearings that reviewed contractor financial capacity requirements for licensure to determine if adjustments can be made to make the licensing process easier for small size contractors. The proposed regulatory changes have been submitted to the Legislative Counsel Bureau (LCB) to be finalized. (Strategic Goal 1.A.)

Also, during the quarter, the Board continued to work with the LCB on several other regulatory initiatives. Among them included an initial review on language that seeks to clarify the requirements of Assembly Bill 39; amending the C-3A and C-14E classifications to include both metal and wood doors and windows; language related to liens; and a proposal to consider applications incomplete if fines and costs previously ordered by the Board have not been paid. In addition to these new proposals for review, the Board is also engaged with the LCB to finalize language on various changes to NRS 624 based on the Governor's Executive Order 2023-03 and 2023-04, as well as language to consolidate the wrecking classification.

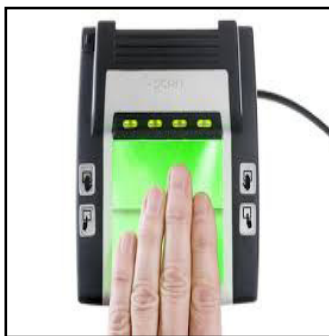
CUSTOMER SERVICE ENHANCES COMMUNICATION

As part of the Board's strategic goal to enhance customer service for prospective contractors, the Licensing Department began exploring the idea of an online help desk to assist applicants with common questions concerning the licensing process. Although these efforts remain under review, it is hoped that its implementation would complement the Board's existing Business Assistance Program. An immediate and interim solution was put into place in November 2023, to update the Board's automated phone response system to provide clarity for callers seeking application assistance. (Strategic Goal 1.B.)

Additionally, all licensees receive information on the Business Assistance Program, Licensed Contractor Assistance Program, and specific language concerning the Residential Recovery Fund, which is to be included on all contracts and matters that fall under the purview of Assembly Bill 39. The Business Assistance Program was also updated to include new topics that are of interest to applicants, including permanent raise in limit applications, the Residential Recovery Fund, information for contractors looking to perform improvements to residential properties, and highlighting the responsibilities of trade qualifying individuals in the context of disciplinary action.

Investigations - Background Check Trends

The Nevada State Contractors Board is authorized under NRS 624.265 to request fingerprints from all applicants for licensure for the purposes of conducting criminal background checks, which are used to assess the character of an applicant and verify accuracy and/or omission of information provided on the license application. The Board's use of criminal justice databases is monitored and audited by the State of Nevada and the FBI for compliance with applicable rules, regulations, policies and procedures.



BACKGROUND CHECK STATISTICS

59 Investigations Initiated

- 85 Investigations pending
- 52 Investigations closed
- 18 Administrative Citations issued for misrepresentation

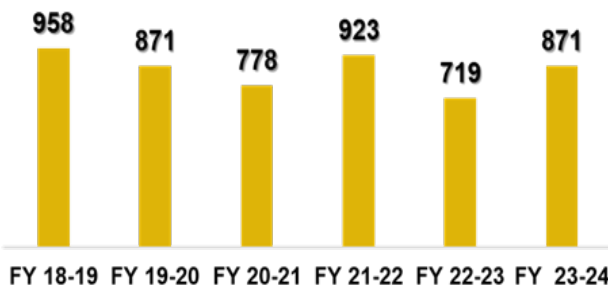
| | |
|---------------------------------------|------------|
| Fingerprint Cards Submitted | 871 |
| Applicants with criminal histories | 227 |
| Applicants without criminal histories | 644 |
| Criminal Histories | 26% |

BACKGROUND INTERVIEWS AID APPLICATION PROCESS

Interviews with applicants whose history reveals criminal activities of concern afford an opportunity for a more in-depth analysis and evaluation before deciding if the conviction would disqualify the applicant.

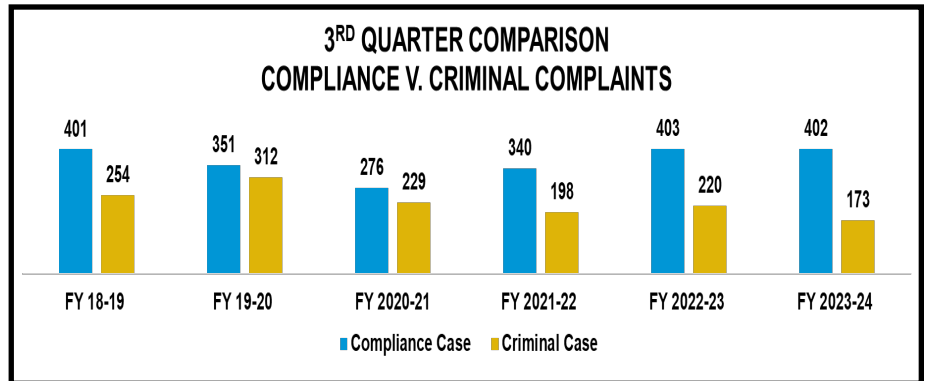
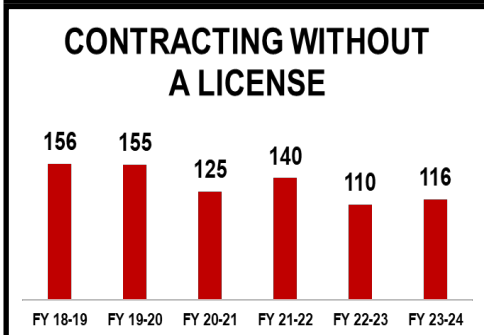
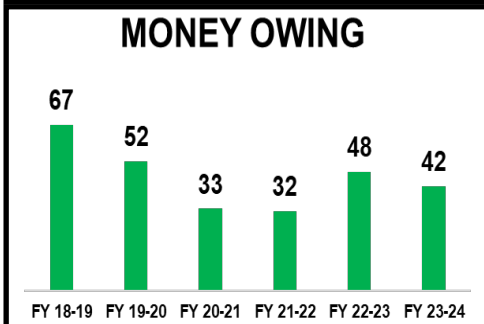
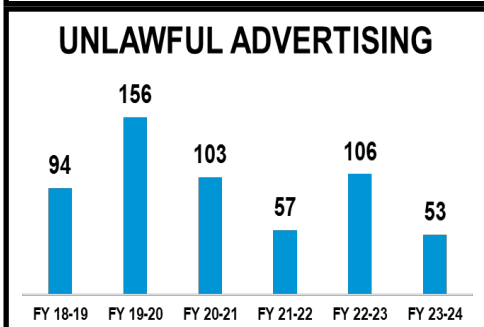
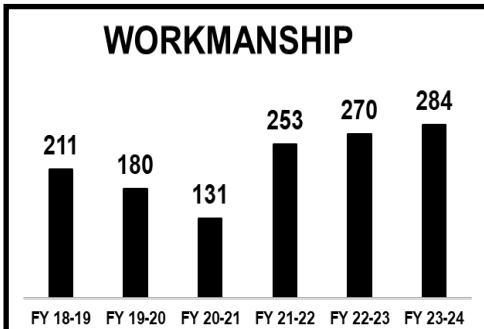
Of the 18 applicants interviewed for this purpose during the reporting period, 14 were recommended for approval and 4 were recommended for denial of licensure.

FINGERPRINTS SUBMITTED 3RD QUARTER



Investigations - Quarter Statistics

3RD QUARTER COMPLAINTS BY FISCAL YEAR



125 ADMINISTRATIVE CITATIONS ISSUED

- Licensed Contractors: 56
 - \$68,900 in Fines
 - \$19,300 in Costs
- Unlicensed Contractors: 69
 - \$274,700 in Fines
 - \$53,050 in Costs

575 COMPLAINTS OPENED

- 284 Workmanship (49%)
- 116 Contracting w/o License (20%)
- 76 Industrial Regulation (13%)
- 53 Unlawful Advertising (9%)
- 42 Money Owing (7%)
- 4 Criminal Fraud (1%)

32 DISCIPLINARY HEARINGS

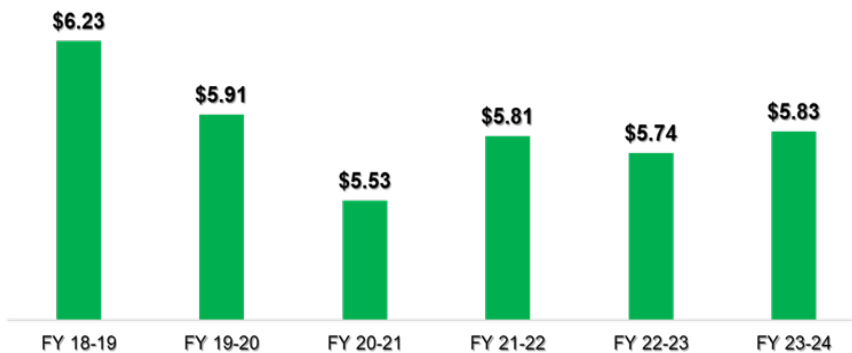
- 10 Licenses Revoked

10 CRIMINAL AFFIDAVITS FILED WITH DA OFFICES

81 CEASE & DESIST ORDERS ISSUED TO UNLICENSED CONTRACTORS

Investigations - Residential Recovery Fund

**3RD QUARTER
RESIDENTIAL RECOVERY FUND BALANCE**
(in millions)



- 28 Recovery Fund cases following receipt of claims from consumers
- Two Recovery Fund meetings held
- 44 Claims considered by the Committee
Five claims continued
- Total of \$684,451 awarded to 39 claimants
- Average award amount: \$17,550

Investigations Department Works to Identify and Proactively Mitigate Harm Caused to Homeowners who Hire Same Contractor

While hiring a properly licensed contractor is always recommended, it does not always ensure the work will be performed per industry standards and lawful expectations. The purpose of advocating for licensure is to enhance the protections afforded to consumers in the event harm is caused during a project that cannot be or is not remedied following a Board investigation, among other reasons.

As was seen in the January 18, 2024, meeting, 13 claimants sought recourse after hiring S&E Contracting Inc., dba Made in the Shade (license no. 85711), who received 50% downpayments for projects where no work was performed - identified by the Board as abandonment of a construction project.

To best protect homeowners and encourage compliance among licensees, the Investigations Department has a new system that escalates actions to mitigate consumer harm when five complaints against a single contractor are received. Based on discussions held with the contractor and efforts to remedy actions that may warrant disciplinary action, the Board hopes to be able to reduce instances where a single contractor can inflict significant financial harm on numerous consumers in a short period of time.

Such actions are not only predatory and unlawful, but the Board will often pursue criminal prosecution when guilt is found during the disciplinary hearing process due to the fraudulent actions taken by the contractor.

Investigations - Case Highlights

ILLEGAL ACTIONS RESULT IN 6 MONTH PRISON SENTENCE FOR LICENSED CONTRACTOR

An investigation by compliance investigators in Southern Nevada revealed that licensed contractor Top Rank Builders (TRB) was involved in illegally removing drywall and ceiling texture during the renovation of a marijuana growing facility which contained asbestos, placing employees in imminent danger of death or serious bodily injury.

Investigators discovered that TRB regularly used day workers to remove the asbestos without the use of personal protective equipment. Once the asbestos was removed, TRB would illegally dispose of the material in the desert to mask their illicit actions, going so far as to blame a former employee and misrepresent information to both Clark County Air Quality regulators and EPA Special Agents.

Investigators along with Nevada OSHA confirmed neither TRB nor any of its employees had an Asbestos Control License that would have allowed them to perform the work. As a result of the investigation, employees Renee Morales and Hector Vasquez of TRB were each sentenced to six months in federal prison for violating the Clean Air Act.

TRB's license is currently suspended for no bond and a cause for disciplinary hearing has been initiated, although currently continued to a later date.

UNLICENSED CONTRACTOR PLEADS GUILTY AFTER ABANDONING PROJECT OF WOMAN FROM CHURCH



During the quarter, members of the Special Investigations Unit in Southern Nevada investigated unlicensed contractor Alfred Lagunas after he took thousands of dollars from a local senior named Barbara Ojito. Investigators learned Ojito met Lagunas at church and agreed to have him construct an outdoor patio for herself and special needs brother from savings her parents had given her prior to their death. After receiving payment, Lagunas poorly constructed a patio cover and other incomplete work before abandoning the project. The circumstances surrounding the event coupled with Lagunas prior history for Contracting Without a License, led to a criminal complaint being filed with the Clark County District Attorney's Office for Contracting Without a License. After failing to appear in court, a bench warrant was issued for his arrest and Lagunas was placed on NSCB's unlicensed violator list where media caught wind and alerted the public of his actions. On March 21, 2024, Lagunas was arrested by the Las Vegas Metropolitan Police Department on an unrelated charge involving felony domestic battery by strangulation. Four days later, he plead guilty in Clark County Justice Court for Contracting Without a License and was ordered to pay restitution to Ojito.

LACK OF BUILDING INSPECTIONS RESULTS IN COLLAPSED SHADE STRUCTURE

Criminal investigators in Northern Nevada investigated William H. Jones, Jr., doing business as Goat Handyman Services after receiving a complaint from the City of Elko Building Department for unlawful advertising and performing work over the \$1,000 handyman threshold and exemption. The investigation discovered that Jones constructed a residential overhead patio shade structure, which required engineering and a building permit.

Absent these professional construction plans and inspections, evidence was provided by the Building Department showing a collapsed structure, which had fallen onto the patio wood deck beneath - an event that could have caused significant injury or worse to the homeowners who paid Jones \$11,473 for the poorly built structure.

The investigation found that Jones was previously known to the NSCB for unlawful advertising of work and projects that required him to be a Nevada licensed contractor. Jones was issued an administrative citation for Contracting Without a License.

Information Technology

During the reporting period, the Information Technology Department began preparing for new upgrades to the Board’s licensing and investigations database platform. These upgrades are expected to improve the customer experience when utilizing the portal for services. Other updates were made to the Board’s postage meters, e-mail system, and overall network.

One of the more anticipated projects set for implementation is the Board’s website redesign. IT is currently working with the vendor to train staff as the site prepares to go live in the near future.

Existing website activity indicates that more people are turning to the Board’s online resources for information in:

- Becoming a Licensed Contractor
- Filing a complaint
- Looking up Most Wanted Unlicensed Violators
- Consumer Information
- Residential Recovery Fund



WEBSITE DATA & WHAT IT MEANS

The web traffic count this quarter versus last quarter was up 21%. Very simply, we went from 98,000 total users last quarter to now more than 1.3 million website users this quarter.

Additionally, the number of page views this quarter versus last quarter has gone from 90,000 to now more than 98,000 users or a 5% increase.

Public Information Office

More Than 1.3 Million View Work of Nevada State Contractors Board

New data provided by Television Monitoring Service shows that the Nevada State Contractors Board received more than 1.3 million views on broadcast news during this last quarter. Strategic coverage from the following stories commanded the attention of the news media this January, February, and March:

- Residential Recovery Fund
- Hammers & Hope
- Homeowner Scammed by Unlicensed Contractor
- Most Wanted Unlicensed Contractor Arrested
- Hire Licensed Contractors following Severe Weather Events

The NSCB also received additional coverage in the Las Vegas Review-Journal about the homeowner scammed out of \$8,000 after hiring an unlicensed contractor she met at church. Links from traditional news coverage were placed on social media accounts to spread the coverage to more viewers.

As a result of these news stories, viewers have contacted the NSCB to find out more about the Residential Recovery Fund, report unlicensed contractors, file complaints or obtain licensing information.



Public Information Officer Randy Escamilla addresses the news media on Feb. 29 with homeowner Barbara Ojito who hired an unlicensed contractor that scammed her out \$8,000. Ms. Ojito's message now to Nevada homeowners, "Hire only licensed contractors."

Homeowners Learn the Importance of Hiring Licensed Contractors When Planning Remodeling Projects



Senior homeowners stop by the Contractors Board table to learn about the importance of hiring licensed contractors for home remodeling projects.

At least 4,000 seniors attended the Review-Journal Aging Wellness Expo on March 2 at the South Point Casino. The event is targeted to seniors to give them a one stop shop for health information, food trends, and consumer information. At least 200 people stopped by the Nevada State Contractors Board table for information on identifying scams and illegal contractors. The Contractors Board table also provided vital consumer information about residential solar and swimming pool remodeling projects. Homeowners who attended said they routinely receive knocks at the door asking them to purchase solar systems. They were happy to learn that Nevada law allows contracts for solar systems to be canceled by email within three days. Seniors were also glad to hear about protections provided by the NSCB when they hire licensed contractors and about the possibility for qualifying up to \$40,000 from Residential Recovery Fund in the event a construction project goes bad.

SOCIAL MEDIA STATISTICS



- Reach: 992
- Content Interactions: 286
- Unique Clicks: 6



- Published Posts: 36
- New Followers: 193
- Page Views: 720
- Unique Visitors: 152
- Reactions: 561
- Comments: 36
- Reposts: 68



- Reach: 5,500
- Content Interactions: 668
- Unique Clicks: 60

Looking Forward - Quarter 4

With the final quarter of FY 2023-24 ahead, the Board has already accomplished many of the strategic goals outlined at the beginning of the year. Set for completion at the end of next quarter are upgrades within the Information Technology Department. Although various measures have been successfully implemented throughout the year, we will keep this initiative as an ongoing measure to ensure the Board remains both adaptive and responsive to the changing technological resources and environments.

Another focus area where progress continues to be made is the development and implementation of strategies to lower the costs and impacts of Board operations. This objective is paramount to the mission of the Board, as it often results in more efficient, higher quality services for our customers.

Some other areas currently being prioritized by the Board, and will likely roll over into the goals of our next Strategic Plan, include:

- Compliance and consumer safety measures related to the residential solar industry.
- Proactive enforcement and public awareness of unlicensed contractor activities.
- Expansion of statewide media efforts and community engagement opportunities to enhance public awareness objectives.

As the Board continues these endeavors, it is also committed to listening and learning from the variety of customers served as new processes, programs, or ideas are considered for implementation. Our goal is always to protect the health and safety of the public and promote confidence and compliance among our licensed contractors. Every day is a new day, and an opportunity to do better than the last.

We hope you have found this quarter's report to be valuable in summarizing the efforts made by the Board to serve the residents and construction professionals across Nevada.



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