

LCB File No. R081-01

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

SCB File No. _____

March __, 2001

NOTICE OF INTENT TO ACT UPON A REGULATION

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 hold a workshop and public hearing at the Board's Reno Office located at 9670 Gateway Drive, Suite 100, Reno, Nevada 89511 on Monday, July 30, 2001. The workshop will begin at 10:00 a.m. The hearing will begin at 1:00 p.m. The purpose of the workshop and hearing is to receive comments from all interested persons regarding the adoption, amendment or repeal of regulations that pertain to Chapter 624 of the Nevada Administrative Code.

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 purpose of the proposed regulation is to establish a procedure for the Board to discipline licensees by Default Order when the licensee fails to respond or file an Answer to a complaint.
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 Either the terms or the substance of the regulations to be adopted, amended or repealed or a description of the subjects and issues involved.
The proposed regulation sets forth the process to be followed for disciplinary actions against licensees using default action. A copy of the proposed regulation may be obtained by writing the Board's office at 9670 Gateway Drive, Reno, NV 89511.
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 are no adverse effects. Beneficial effects include providing a streamlined process to discipline a licensee for violation of NRS 624.

(b) Both immediate and long-term effects.

Immediate and long-term effects include the ability to resolve disciplinary matters in a short amount of time. The default process may eliminate the need for lengthy hearings and associated costs thereof.

4. The estimated cost to the Agency for enforcement of the proposed regulation.

The cost of enforcement of the proposed regulation will be minimal since the process simplifies the disciplinary process.

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

The proposed regulation does not overlap or duplicate any regulation of other state or local governmental entities.

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

Does not apply.

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

Does not apply.

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

Does not apply.

Persons wishing to comment upon the proposed action of the Board may appear at the scheduled workshop and public hearing or may address their comments, data, views or arguments, in written form to the Executive Officer of the Nevada State Contractors' Board, 4220 South Maryland Parkway, Building D, Suite 800, Las Vegas, Nevada 89119 or in Reno at 9670 Gateway Drive, Suite 100, Reno, Nevada 89511. Written submissions must be received by the Board on or before Thursday July 26, 2001. 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 regulations to be adopted, amended or repealed will be on file at the State Library, 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 will be available at the State Contractors' Board, 4220 South Maryland Parkway, Building D, Suite 800, Las Vegas, Nevada 89119 and 9670 Gateway Drive, Suite 100, Reno, Nevada 89511. In all counties in which an office of the Board is not maintained, a copy of this notice and the text of the proposed regulation will also be available for public inspection and copying at the main public library during business hours. This notice and the text of the proposed regulation will be 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 upon request. A reasonable fee may be charged for copies if it is deemed necessary.

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:

Washoe County Court House
Washoe County Library
Reno City Hall
Las Vegas City Hall
Sawyer State Building
Clark County Library
Offices of the State Contractors' Board in Reno and Las Vegas

Dated: June 27, 2001

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EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§ 1-3, NRS 624.100, 624.112, 624.295, and 624.300.

Section 1. *As used in section 1 to 4, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 1 to 4, inclusive, of this regulation have the meaning ascribed to them in those sections.*

Section 2. NAC 624.710 is hereby amended to read as follows:

NAC 624.710 Notice of contemplated action; probation.

1. The ~~[board will presume that the]~~ address of an applicant or licensee which is on file with the board ~~[is his correct address]~~ *shall be deemed to be the correct address of the applicant or licensee until said applicant or licensee changes its address in writing with the board.*

2. Before taking disciplinary action against a licensee, the board will provide reasonable notice of the action contemplated. *This notice must be filed pursuant to NRS 233B.121 and must:*

(a) Include the date for return of the licensee's Answer and/or Responsive Pleading with supporting documents;

(b) Inform licensee of Default action by board if no Answer and/or Responsive Pleading with supporting documents are received by the board by the date established on the Notice;

(c) Inform the licensee that a disciplinary hearing will only be scheduled if the Answer and/or Responsive Pleading with supporting documents are received by the board by the date established in the Notice;

(d) Include the Complaint that sets out all the allegations against the licensee;

(e) Be issued by the executive officer of the board or by a duly authorized person; and

(f) Be sent to the licensee's address of record with the board by certified mail.

3. If the board has grounds to suspend or revoke a contractor's license or otherwise discipline the contractor, the board may place him on probation until he completes his existing contracts and may thereafter suspend or revoke his license or otherwise discipline him.

4. The board may take a matter directly to hearing by informing the licensee of the date and time of the hearing on the Notice of Complaint.

5. Any revision to the Notice or the Complaint against the licensee shall be noticed to the licensee pursuant to NRS 233B.121.

6. If the licensee does not file an Answer and/or Responsive Pleading with supporting documents with the board by the date indicated in the Notice, the board may enter a Default against the licensee.

Section 3. Chapter 624 of NAC is hereby amended by adding thereto the following provisions.

Section 4. *1. All Default matters will be set for an open board hearing on the public agenda.*

2. *Evidence to be used in the Default hearing may include, but is not limited to:*
 - (a) *Original Complaint and any subsequent Amended Complaints against the licensee;*
 - (b) *Any and all Notices issued to the licensee pursuant to NAC 624.710;*
 - (c) *Any and all returned correspondence; and*
 - (d) *Any and all evidence of the allegations against the licensee.*
3. *At the hearing, the board may:*
 - (a) *Accept the evidence presented as the Formal Findings of Fact and Conclusions of Law of the board and/or*
 - (b) *Enter a Default Order.*
4. *After the entering of a Default Order, the board may summarily take disciplinary action against the licensee and may impose penalties as set out in NRS 624.300.*
5. *In order to set aside a Default Order, the licensee must:*
 - (a) *File a written request to set aside the Default Order within 60 days of the board's order and*
 - (b) *Show good cause for setting aside the Default Order.*
6. *The board shall review the request and determine if a hearing is warranted to question the licensee.*