

KENNY C. GUINN
Governor

State Of Nevada

Reply To:

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MEMBERS
Kim W. Gregory, Chairman
Douglas W. Carson
Margaret Cavin
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STATE CONTRACTORS' BOARD

LAS VEGAS
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MINUTES OF THE HEARING BEFORE THE NEVADA STATE CONTRACTORS' BOARD HELD SEPTEMBER 24, 2001

The hearing was called to order at 10:00 a.m. on Monday, September 24, 2001, at the offices of the State Contractors' Board, 9670 Gateway Drive, Reno, Nevada 89511. Exhibit 1 is the Notice of Intent to Act Upon a Regulation and a copy of the proposed regulation. Exhibit 2 is the Sign In Sheet.

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Ms. Nancy Mathias, Licensing Administrator
Mr. Dennis Haney, Legal Counsel (Haney, Woloson and Mullins)
Mr. George Lyford, Director of Special Investigations
Mr. Frank Torres, Assistant Director of Investigations
Ms. Jeanne Reynolds, Recording Secretary

OTHERS PRESENT

Hal Taylor, Esq.

Ms. Grein called the hearing to order and explained the purpose of the hearing is to receive public comment on the proposed regulation to amend Chapter 624 of the Nevada Administrative Code to create procedures to process claims for recovery from the Residential Recovery Fund. She indicated that the notice of the hearing was posted in compliance with NRS 233B on August 16, 2001 and August 17, 2001 at the Las Vegas City Hall, the Sawyer State Building, Clark County Library Washoe County Courthouse, Washoe County Library, Reno City Hall and offices of the State Contractors' Board in Reno and Las Vegas.

Ms. Grein stated that the proposed amendments to NAC 624 are needed to implement procedures to process claims for recovery from the Residential Recovery Fund. A workshop and hearing on the regulation had been held in Las Vegas on July 11, 2001. Based on comments received at the workshop and hearing, changes had been made to the regulation.

Ms. Grein noted for the record that one member of the public was present at the hearing and called Mr. Hal Taylor to speak. Mr. Taylor stated his address as 557 Washington Street, Lower Level, Reno, NV 89503.

Mr. Taylor's commented on the statutory language in NRS 624.500 and indicated that, in his opinion, the six month time frame could be extended in the event all appropriate paperwork had not been completed. In addition, Mr. Taylor does not believe the statute gives the Board the authority to require a court order or final decision and order of the Board accompany the claim for recovery. He also questioned the language that provides the time allowed for processing a claim for recovery. He commented that the Board would have to exercise caution to ensure that claims against the fund are distributed equitably since there is a \$200,000 limit per contractor

Ms. Grein indicated the provision to require a copy of a court order or final order of the Board was put into the regulation to ensure due process for all parties. In addition, the Board is trying to place safeguards in

the regulation to make certain that only those homeowners who have been harmed by a contractor performing substandard work and entitled to receive compensation from the fund are paid.

After discussion, minor language changes to the regulation were proposed. Ms. Grein stated she will present the redrafted regulation to the Board for final adoption.

Ms. Grein further stated that 43 claims for recovery have been mailed to homeowners and seven have been returned to the Board.

Since no other members of the public were present to give comments, the hearing was adjourned at 10:50 a.m.

Respectfully submitted,

Jeanne Reynolds
Recording Secretary

Approved:

Margi A. Grein, Executive Officer