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# State Of Nevada



## STATE CONTRACTORS BOARD

Southern Nevada

8400 West Sunset Road, Suite 150 Las Vegas, Nevada 89113 (702) 486-1100 Fax (702) 486-1190 Investigations: (702) 486-1110

www.nscb.nv.gov

Northern Nevada

5390 Kietzke Lane, Suite 102 Reno, Nevada 89511 (775) 688-1141 Fax (775) 688-1271 Investigations: (775) 688-1150

## NOTICE OF INTENT TO ACT UPON A REGULATION

LCB File No. R034-22

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, May 26, 2022 at 8:30 a.m. and a public hearing on Thursday, June 2, 2022 at 8:30 a.m. The workshop and hearing will be held at 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.

NRS 624.220 authorizes the board to adopt regulations necessary to affect the classification and subclassification of contractors in a manner consistent with established usage and procedure as found in the construction business and to set limits on the field and scope of the operations of a contractor as may be necessary to protect the health, safety and general welfare of the public.

A need was identified to provide an opportunity for licensure to companies that solely perform residential remodeling work and who may not have the experience or the desire to construct residential and small commercial buildings as provided for in the B2-Residential & Small Commercial classification.

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 Either the terms or the substance of the regulations to be adopted, amended or repealed or a description of the subjects and issues involved.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 proposes an amendment to the Administrative Code by adding a new subclassification for Residential Remodeling. A copy of the proposed regulation may be obtained by visiting our website at www.nscb.nv.gov or writing to the Board's offices.

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.

The regulation should not result in any economic impact since the scope of work currently requires licensure. The economic impact on small business will be beneficial since the proposed regulation provides a pathway to licensure for this sector of the industry by limiting the scope of practice and providing for smaller scale projects. The regulation should not result in any adverse economic effect on the general public. The general public may benefit by the increased pool of properly licensed contractors specializing in small residential projects.

## (b) Both immediate and long-term effects.

There is no immediate economic effect. Long term economic effects will enable more small businesses to apply for a classification that better fits their experience level and enables them to operate on a smaller scale.

- **4.** The estimated cost to the agency for the enforcement of the proposed regulation. Cost to the agency should be minimal.
- 5. 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 proposed regulation does not overlap or duplicate any regulation.

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. The regulation does not establish a new fee or increase an existing fee.

Persons wishing to comment upon the proposed action of the Board may appear at the scheduled public workshop 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 five days prior to the scheduled workshop. 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 8400 West Sunset Road, Suite 150, Las Vegas, Nevada 89113 and the Reno office located at 5390 Kietzke Lane, Suite 102, Reno, Nevada, 89511. 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 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:

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

Dated: April 27, 2022

### PROPOSED REGULATION OF THE

### STATE CONTRACTORS' BOARD

#### LCB File No. R034-22

April 19, 2022

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 the subclassifications of classification B general building licenses to add a subclassification for Residential Remodeling; and providing other matters properly relating thereto.

## **Legislative Counsel's Digest:**

Existing law authorizes the State Contractors' Board to make reasonable regulations regarding contractors. (NRS 624.100) Existing law requires the Board to adopt regulations regarding the classification and subclassification of contractors, and authorizes the Board to limit the field and scope of the operations of a licensed contractor to those in which the contractor is classified and qualified to engage. (NRS 624.220) Existing law and regulations establish general building contracting as one such license classification, designated as a "classification B" license, and further establish certain subclassifications of a license within that classification including, without limitation, a subclassification for the construction and remodeling of residential and small commercial structures ("subclassification B-2") and a subclassification for "commercial remodeling" ("subclassification B-6"). (NRS 624.215; NAC 624.160, 624.170)

This regulation creates a new subclassification for Residential Remodeling within the "classification B" license. This regulation authorizes a contractor licensed in the Residential Remodeling subclassification to engage in the remodeling and improvement of an existing, detached, stand-alone single-family residence or single-family residential unit within a structure that does not extend more than three stories above the ground and one story below the ground. This regulation does not authorize such a contractor to increase the existing enclosed space of the residential structure.

**Section 1.** NAC 624.170 is hereby amended to read as follows:

624.170 The subclassifications of a license designated classification B and the work authorized for persons licensed in the respective subclassifications are:

- 1. PREMANUFACTURED HOUSING (subclassification B-1): The fitting, assembling, placement and installing of premanufactured units, modular parts and their appurtenances for the erection of residential buildings which do not extend more than three stories above the ground.
- 2. RESIDENTIAL AND SMALL COMMERCIAL (subclassification B-2): The construction and remodeling of houses and other structures which support, shelter or enclose persons or animals or other chattels, and which do not extend more than three stories above the ground and one story below the ground.
- 3. SPECULATIVE BUILDING (subclassification B-3): The construction upon property owned by the contractor of structures for sale or speculation.
- 4. SERVICE STATIONS (subclassification B-4): The construction of structures and installation of equipment used to perform service upon vehicles.
- 5. PREFABRICATED STEEL STRUCTURES (subclassification B-5): The construction with prefabricated steel of structures to be used for the support, shelter or enclosure of persons or animals or other chattels.
- 6. COMMERCIAL REMODELING (subclassification B-6): The remodeling and improvement of interior spaces in structures which support, shelter or enclose persons or animals or other chattels, including, without limitation, structures which exceed more than three stories in height and buildings with fewer than three stories that are connected to structures which exceed three stories. The provisions of this subsection do not authorize a person licensed in subclassification B-6 to perform, manage or supervise the installation, removal or modification, temporarily or permanently, of any structural member, mechanical system, fire protection system, or other life safety system.

7. RESIDENTIAL REMODELING (subclassification B-7): The remodeling and improvement of an existing, detached, stand-alone single-family residence or single-family residential unit within a structure that does not extend more than three stories above the ground and one story below the ground. The provisions of this subsection do not authorize a person licensed in subclassification B-7 to increase the existing enclosed space of the residential structure.

# Small Business Impact Statement

# Proposed Regulation LCB File No. R034-22

(B-7 Classification)

# 1.0 Overview

The Nevada State Contractors Board (NSCB) proposes an amendment to the Administrative Code by adding a new subclassification for Residential Remodeling.

The Nevada State Contractors Board has determined that the proposed amendment should not have a negative financial impact upon a small business. The proposed regulation is not expected to negatively impact the formation, operation, or expansion of a small business in Nevada.

# 2.0 Authority

This small business impact statement is made pursuant to NRS 233B.0608 (3) and complies with the requirements of NRS 233B.0609. As required by NRS 233B.0608(3), this statement identifies the methods used by the agency in determining the impact of the proposed regulation on a small business and provides the reasons for the conclusions of the agency followed by the certification by the person responsible for the agency.

# 3.0 Background

NRS 624.220 authorizes the board to adopt regulations necessary to affect the classification and subclassification of contractors in a manner consistent with established usage and procedure as found in the construction business and to set limits on the field and scope of the operations of a contractor as may be necessary to protect the health, safety and general welfare of the public.

A need was identified to provide an opportunity for licensure to companies that solely perform residential remodeling work and who may not have the experience or the desire to construct residential and small commercial buildings as provided for in the B2-Residential & Small Commercial classification.

# 4.0 Method used to determine no small business impact

Pursuant to NRS 2338.0608, the Nevada State Contractors Board made a concerted effort to determine whether the proposed regulation was likely to: l) 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.

To reach its conclusion, the NSCB considered current industry practices and tailored the proposed regulation to address the regulatory need. The NSCB recognized that no small business would endure any economic burden related to the addition of this subclassification. Indeed, the proposed regulation will provide a pathway to licensure for this sector of the industry by limiting the scope of practice and providing for smaller scale projects.

# 5.0 Certification by Person Responsible for the Agency

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 businesses and the information contained in this statement was prepared properly and is accurate.

Signature	Mas a Mein	Date 4/27/22	_
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