481—465.10(91C) Citations/penalties and appeal hearings.

465.10(1) *Citations.* The director will issue a citation to a contractor where an investigation reveals the contractor has violated:

a. The requirement that the contractor be registered;

b. The requirement that the contractor's registration information be substantially complete and accurate; or

c. The requirement that an out-of-state contractor file a bond with the department.

465.10(2) *Penalties.* If a citation is issued, the director shall notify the contractor by certified mail of the proposed administrative penalty, if any. The administrative penalties shall be not more than $500 in the case of the first violation and not more than $5,000 per violation in the case of a second or subsequent violation. In proposing a penalty, due consideration will be given to knowledge of the alleged violation, knowledge of requirements of the law, and nature and extent of the alleged violation.

465.10(3) *Appeal.* The contractor has 15 working days within which to file a notice of contest of the citation or proposed penalty. The notice of contest is filed with the director who will forward it to the employment appeal board.

465.10(4) *Appeal procedures.* The rules of procedure of the employment appeal board shall apply to administrative hearings on citations and penalties.

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