ASSEMBLY BILL NO. 49-COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE STATE CONTRACTORS' BOARD)

Prefiled November 18, 2020

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to disciplinary action by the State Contractors' Board. (BDR 54-322)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: No.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

AN ACT relating to contractors; revising provisions which set forth the acts which constitute cause for disciplinary action by the State Contractors' Board; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that the following acts, among others, constitute cause for disciplinary action by the State Contractors' Board: (1) certain nonconsensual, willful and prejudicial departures from or disregard of plans or specifications; and (2) the willful or deliberate disregard and violation of certain laws and regulations governing building, safety, health, labor and industrial insurance. (NRS 624.3011) Section 1 of this bill eliminates the "willful," "prejudicial" and "deliberate" standards of intent from these grounds, making the respective actions cause for disciplinary action regardless of the applicable person's intent or state of mind.

Existing law also provides that the following acts, among others, constitute cause for disciplinary action by the Board: (1) knowingly bidding to contract or entering into a contract with a contractor for work in excess of the contractor's limit or beyond the scope of his or her license; and (2) knowingly entering into a contract with a contractor while that contractor is not licensed. (NRS 624.3015) Section 2 of this bill eliminates the "knowingly" standard of intent from these grounds, making the respective actions cause for disciplinary action regardless of the applicable person's intent or state of mind.

Finally, existing law provides that, among other acts and events, a conviction for a crime involving moral turpitude constitutes cause for disciplinary action by the Board. (NRS 624,3016) Section 3 of this bill revises this provision to eliminate reference to a crime involving moral turpitude and, instead, makes convictions for





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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** NRS 624.3011 is hereby amended to read as follows:
- 624.3011 1. The following acts, among others, constitute cause for disciplinary action under NRS 624.300:
- (a) [Willful and prejudicial departure] Departure from or disregard of plans or specifications in any material respect without the consent of the owner or the owner's authorized representative and the person entitled to have the particular construction project or operation completed in accordance with the plans and specifications.
 - (b) [Willful or deliberate disregard] Disregard and violation of:
- (1) The building laws of the State or of any political subdivision thereof.
 - (2) The safety laws or labor laws of the State.
- (3) Any provision of the Nevada health and safety laws or the regulations adopted thereunder relating to the digging, boring or drilling of water wells.
 - (4) The laws of this State regarding industrial insurance.
- 2. If a contractor performs construction without obtaining any necessary building permit, there is a rebuttable presumption that the contractor willfully and deliberately violated the building laws of this State or of its political subdivisions.
- **Sec. 2.** NRS 624.3015 is hereby amended to read as follows: 624.3015 The following acts, among others, constitute cause for disciplinary action under NRS 624.300:
- 1. Acting in the capacity of a contractor beyond the scope of the license.
- 2. Bidding to contract or contracting for a sum for one construction contract or project in excess of the limit placed on the license by the Board.
- 3. **[Knowingly bidding]** *Bidding* to contract or entering into a contract with a contractor for work in excess of his or her limit or beyond the scope of his or her license.
- 4. **[Knowingly entering] Entering** into a contract with a contractor while that contractor is not licensed.
- 5. Constructing or repairing a mobile home, manufactured home, manufactured building or commercial coach or factory-built housing unless the contractor:
 - (a) Is licensed pursuant to NRS 489.311;



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- (b) Owns, leases or rents the mobile home, manufactured home, manufactured building, commercial coach or factory-built housing; or
- (c) Is authorized to perform the work pursuant to subsection 4 of NRS 118B.090 or subsection 2 of NRS 118B.097.
- 6. Engaging in any work or activities that require a contractor's license while the license is placed on inactive status pursuant to NRS 624.282.
 - **Sec. 3.** NRS 624.3016 is hereby amended to read as follows:
- 624.3016 The following acts or omissions, among others, constitute cause for disciplinary action under NRS 624.300:
- 1. Any fraudulent or deceitful act committed in the capacity of a contractor, including, without limitation, misrepresentation or the omission of a material fact.
- 2. A conviction of a violation of NRS 624.730, or a conviction in this State or any other jurisdiction of a felony relating to the practice of a contractor or a crime [involving moral turpitude.] described in paragraphs (a) to (d), inclusive, of subsection 1 of NRS 624.266.
- 3. Knowingly making a false statement in or relating to the recording of a notice of lien pursuant to the provisions of NRS 108.226.
- 4. Failure to give a notice required by NRS 108.227, 108.245, 108.246 or 624.520.
- 5. Failure to comply with NRS 624.920, 624.930, 624.935 or 624.940 or any regulations of the Board governing contracts for work concerning residential pools and spas.
 - 6. Failure to comply with NRS 624.600.
- 7. Misrepresentation or the omission of a material fact, or the commission of any other fraudulent or deceitful act, to obtain a license.
- 8. Failure to pay an assessment required pursuant to NRS 624.470.
- 9. Failure to file a certified payroll report that is required for a contract for a public work.
- 10. Knowingly submitting false information in an application for qualification or a certified payroll report that is required for a contract for a public work.
- 11. Failure to notify the Board of a conviction or entry of a plea of guilty, guilty but mentally ill or nolo contendere pursuant to NRS 624.266.
- 12. Failure to provide a builder's warranty as required by NRS 624.602 or to respond reasonably to a claim made under a builder's warranty.





1 **Sec. 4.** This act becomes effective upon passage and approval.





