SENATE BILL NO. 433–SENATOR DALY

MARCH 27, 2023

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to prevailing wages. (BDR 28-541)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: No.

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

AN ACT relating to prevailing wages; revising provisions governing the payment of prevailing wages; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth general provisions applicable to public works, including provisions requiring, with certain exceptions, the payment of prevailing wages for public works projects which are enforced by the Labor Commissioner. (NRS 338.010-338.090) **Section 3** of this bill requires the Labor Commissioner to adopt regulations establishing the factors to be considered when determining whether prevailing wages are required to be paid on a project. **Section 3** also provides that: (1) the Labor Commissioner is not bound by any determination or finding of a public body relating to the applicability of the requirements for the payment of prevailing wages; and (2) any determination made by the Labor Commissioner regarding the applicability of those requirements is a final order of the Labor Commissioner for purposes of judicial review. **Sections 5-7** of this bill make conforming changes to indicate the proper placement of **section 3** in the Nevada Revised Statutes.

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

Section 1. Chapter 338 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. (Deleted by amendment.)

Sec. 3. 1. The Labor Commissioner shall adopt regulations establishing the factors to be considered when determining the applicability of NRS 338.013 to 338.090, inclusive.



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- 2. The Labor Commissioner is not bound by any determination or finding of a public body relating to the applicability of NRS 338.013 to 338.090, inclusive.
- 3. Any determination made by the Labor Commissioner regarding the applicability of NRS 338.013 to 338.090, inclusive, is a final order of the Labor Commissioner for purposes of judicial review.
 - **Sec. 4.** (Deleted by amendment.)

- **Sec. 5.** NRS 338.050 is hereby amended to read as follows:
- 338.050 For the purpose of NRS 338.010 to 338.090, inclusive, and section 3 of this act, except as otherwise provided by specific statute, every worker who performs work for a public work covered by a contract therefor is subject to all of the provisions of NRS 338.010 to 338.090, inclusive, and section 3 of this act, regardless of any contractual relationship alleged to exist between such worker and his or her employer.
 - **Sec. 6.** NRS 338.070 is hereby amended to read as follows: 338.070

 1. Any public body awarding a contract shall:
- (a) Investigate possible violations of the provisions of NRS 338.010 to 338.090, inclusive, *and section 3 of this act* committed in the course of the execution of the contract, and determine whether a violation has been committed and inform the Labor Commissioner of any such violations; and
- (b) When making payments to the contractor engaged on the public work of money becoming due under the contract, withhold and retain all sums forfeited pursuant to the provisions of NRS 338.010 to 338.090, inclusive [...], and section 3 of this act.
- 2. No sum may be withheld, retained or forfeited, except from the final payment, without a full investigation being made by the awarding public body.
- 3. Except as otherwise provided in subsection 7, it is lawful for any contractor engaged on a public work to withhold from any subcontractor engaged on the public work sufficient sums to cover any penalties withheld from the contractor by the awarding public body on account of the failure of the subcontractor to comply with the terms of NRS 338.010 to 338.090, inclusive [...], and section 3 of this act. If payment has already been made to the subcontractor, the contractor may recover from the subcontractor the amount of the penalty or forfeiture in a suit at law.
- 4. A contractor engaged on a public work and each subcontractor engaged on the public work shall:
- (a) Inquire of each worker employed by the contractor or subcontractor in connection with the public work:
- (1) Whether the worker wishes to specify voluntarily his or her gender; and





- (2) Whether the worker wishes to specify voluntarily his or her ethnicity; and
- (b) For each response the contractor or subcontractor receives pursuant to paragraph (a):
- (1) If the worker chose voluntarily to specify his or her gender or ethnicity, or both, record the worker's responses; and
- (2) If the worker declined to specify his or her gender or ethnicity, or both, record that the worker declined to specify such information.
- → A contractor or subcontractor shall not compel or coerce a worker to specify his or her gender or ethnicity and shall not penalize or otherwise take any adverse action against a worker who declines to specify his or her gender or ethnicity. Before inquiring as to whether a worker wishes to specify voluntarily his or her gender or ethnicity, the applicable contractor or subcontractor must inform the worker that such information, if provided, will be open to public inspection as set forth in subsection 6.
- 5. A contractor engaged on a public work and each subcontractor engaged on the public work shall keep or cause to be kept:
- (a) An accurate record showing, for each worker employed by the contractor or subcontractor in connection with the public work:
 - (1) The name of the worker;
 - (2) The occupation of the worker;
- (3) The gender of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information:
- (4) The ethnicity of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information;
- (5) If the worker has a driver's license or identification card, an indication of the state or other jurisdiction that issued the license or card; and
- (6) The actual per diem, wages and benefits paid to the worker; and
- (b) An additional accurate record showing, for each worker employed by the contractor or subcontractor in connection with the public work who has a driver's license or identification card:
 - (1) The name of the worker;
- (2) The driver's license number or identification card number of the worker; and
- (3) The state or other jurisdiction that issued the license or card.





- The records maintained pursuant to subsection 5 must be open at all reasonable hours to the inspection of the public body awarding the contract. The contractor engaged on the public work or subcontractor engaged on the public work shall ensure that a copy of each record for each calendar month is received by the public body awarding the contract no later than 15 days after the end of the month. The copy of the record maintained pursuant to paragraph (a) of subsection 5 must be open to public inspection as provided in NRS 239.010. The copy of the record maintained pursuant to paragraph (b) of subsection 5 is confidential and not open to public inspection. The records in the possession of the public body awarding the contract may be discarded by the public body 2 years after final payment is made by the public body for the public work. The Labor Commissioner shall adopt regulations authorizing and prescribing the procedures for the electronic filing of the copies of the records required to be provided monthly by a contractor or subcontractor to a public body pursuant to this subsection.
- 7. A contractor engaged on a public work shall not withhold from a subcontractor engaged on the public work the sums necessary to cover any penalties provided pursuant to subsection 3 of NRS 338.060 that may be withheld from the contractor by the public body awarding the contract because the public body did not receive a copy of the record maintained by the subcontractor pursuant to subsection 5 for a calendar month by the time specified in subsection 6 if:
- (a) The subcontractor provided to the contractor, for submission to the public body by the contractor, a copy of the record not later than the later of:
 - (1) Ten days after the end of the month; or
- (2) A date agreed upon by the contractor and subcontractor; and
- (b) The contractor failed to submit the copy of the record to the public body by the time specified in subsection 6.
- Nothing in this subsection prohibits a subcontractor from submitting a copy of a record for a calendar month directly to the public body by the time specified in subsection 6.
- 8. Any contractor or subcontractor, or agent or representative thereof, performing work for a public work who neglects to comply with the provisions of this section is guilty of a misdemeanor.
 - **Sec. 7.** NRS 338.090 is hereby amended to read as follows:
- 338.090 1. Except as otherwise provided in subsection 5, any person, including the officers, agents or employees of a public body, who violates any provision of NRS 338.010 to 338.090, inclusive, *and section 3 of this act*, or any regulation adopted pursuant thereto, is guilty of a misdemeanor.





- 2. The Labor Commissioner, in addition to any other remedy or penalty provided in this chapter:
- (a) Shall, except as otherwise provided in subsection 4, assess a person who, after an opportunity for a hearing, is found to have failed to pay the prevailing wage required pursuant to NRS 338.020 to 338.090, inclusive, *and section 3 of this act*, an amount equal to the difference between the prevailing wages required to be paid and the wages that the contractor or subcontractor actually paid; and
- (b) May, in addition to any other administrative penalty, impose an administrative penalty not to exceed the costs incurred by the Labor Commissioner to investigate and prosecute the matter.
- 3. If the Labor Commissioner finds that a person has failed to pay the prevailing wage required pursuant to NRS 338.020 to 338.090, inclusive, *and section 3 of this act*, the public body may, in addition to any other remedy or penalty provided in this chapter, require the person to pay the actual costs incurred by the public body to investigate the matter.
- 4. The Labor Commissioner is not required to assess a person an amount equal to the difference between the prevailing wages required to be paid and the wages that the contractor or subcontractor actually paid if the contractor or subcontractor has already paid that amount to a worker pursuant to paragraph (c) of subsection 4 of NRS 338.035.
- 5. The provisions of subsection 1 do not apply to a subcontractor specified in NRS 338.072.
 - **Sec. 8.** This act becomes effective upon passage and approval.





