

ASSEMBLY BILL NO. 259—ASSEMBLYMEN LEE, GIUNCHIGLIANI, ARBERRY, GOLDWATER, THOMAS, BERMAN, CHOWNING, DINI, PERKINS, NEIGHBORS, CARPENTER, SEGERBLOM, GIBBONS, BUCKLEY, HETTRICK, HUMKE, GUSTAVSON, ANGLE, CLABORN, MCCLAIN, KOIVISTO, TIFFANY, FREEMAN, BACHE, ANDERSON, WILLIAMS, PARKS, MANENDO, COLLINS, OHRENSCHALL AND PRICE

FEBRUARY 16, 1999

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes concerning state contractors' board. (BDR 54-350)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: Yes.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to the state contractors' board; revising the membership, terms of office and duties of the board; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Chapter 624 of NRS is hereby amended by adding thereto
2 the provisions set forth as sections 2 and 3 of this act.
- 3 **Sec. 2. 1.** *The board may adopt such reasonable bylaws, rules of*
4 *procedure and regulations as are necessary to carry out the provisions of*
5 *this chapter.*
- 6 **2.** *In addition to complying with the procedure set forth in chapter*
7 *233B of NRS, at least 60 days before the hearing for a proposed bylaw,*
8 *rule or regulation, the board shall make a good-faith effort to mail to*
9 *each person licensed pursuant to this chapter, to the address shown in*
10 *the records of the board for that person:*
- 11 (a) *A copy of the proposed bylaw, rule or regulation; and*
12 (b) *A notice that sets forth the date, time and place of the hearing for*
13 *the proposed bylaw, rule or regulation.*
- 14 *If the board fails to make such an effort, the bylaw, rule or regulation is*
15 *not* *effective.*

1 **Sec. 3. On or before September 1 of each even-numbered year, the**
2 **board shall:**

3 **1. Prepare a written report concerning the activity engaged in by the**
4 **board pursuant to the provisions of this chapter during the preceding**
5 **biennium; and**

6 **2. Submit the report to the governor and to the director of the**
7 **legislative counsel bureau for transmittal to the next regular session of**
8 **the Nevada legislature.**

9 **Sec. 4. NRS 624.050 is hereby amended to read as follows:**

10 624.050 1. ~~{Six members of the board must each:~~

11 ~~-(a) At}~~ **The board must be composed of:**

12 **(a) Four members who operate as general contractors and one**
13 **member who operates exclusively as a subcontractor, each of whom at**
14 **the time of his appointment** ~~{, hold}~~ **:**

15 **(1) Holds** an unexpired license to operate as a contractor ~~{,~~

16 ~~-(b) Be}~~ **;**

17 **(2) Has been** a contractor actively engaged in the contracting
18 business ~~{and must have been so engaged}~~ for not less than 5 years
19 **immediately** preceding ~~{the date of}~~ his appointment ~~{,~~

20 ~~-(c) Have}~~ **; and**

21 **(3) Has** been a citizen and resident of the State of Nevada for ~~{at~~
22 ~~least}~~ **not less than** 5 years ~~{next}~~ **immediately** preceding his appointment.

23 ~~{2-}~~ **(b) One member who is an architect registered pursuant to**
24 **chapter 623 of NRS or a professional engineer licensed pursuant to**
25 **chapter 625 of NRS.**

26 **(c) One member** ~~{of the board must be}~~ **who is** a representative of the
27 general public.

28 **2. A member shall serve for a term of 4 years or until his successor**
29 **has been appointed. A member may not serve for more than two**
30 **consecutive terms of any length.**

31 **Sec. 5. NRS 624.100 is hereby amended to read as follows:**

32 624.100 1. The board may appoint such committees ~~{and make such~~
33 ~~reasonable bylaws, rules of procedure and regulations}~~ as are necessary to
34 carry out the provisions of this chapter.

35 2. The board may establish advisory committees composed of its
36 members or employees, homeowners, contractors or other qualified persons
37 to provide assistance with respect to fraud in construction, or in any other
38 area that the board considers necessary.

39 3. If the board establishes an advisory committee, the board shall:

40 **(a) Select five members for the committee from a list of volunteers**
41 **approved by the board; and**

42 **(b) Adopt rules of procedure for informal conferences of the committee.**

43 4. If the board establishes an advisory committee, the members:

1 (a) Serve at the pleasure of the board.

2 (b) Serve without compensation, but must be reimbursed for travel
3 expenses necessarily incurred in the performance of their duties. The rate
4 must not exceed the rate provided for state officers and employees
5 generally.

6 (c) Shall provide a written summary report to the board, within 15 days
7 after the final informal conference of the committee, that includes
8 recommendations with respect to actions that are necessary to reduce and
9 prevent the occurrence of fraud in construction, or on such other issues as
10 requested by the board.

11 5. The board is not bound by any recommendation made by an
12 advisory committee.

13 **Sec. 6.** NRS 624.115 is hereby amended to read as follows:

14 624.115 1. *The board shall employ at least one person to receive*
15 *and facilitate the resolution of complaints from the general public.*

16 2. The board may employ attorneys, investigators and other
17 professional consultants and clerical personnel necessary to the discharge
18 of its duties.

19 ~~12-1~~ 3. *The board shall adopt regulations that specify the*
20 *qualifications of an investigator.*

21 4. The board may require investigators who are employed by the board
22 to locate persons who:

23 (a) Engage in the business or act in the capacity of a contractor within
24 this state; or

25 (b) Submit bids on jobs situated within this state,
26 in violation of NRS 624.230.

27 **Sec. 7.** NRS 624.160 is hereby amended to read as follows:

28 624.160 1. The board is vested with all of the functions and duties
29 relating to the administration of this chapter.

30 2. The board shall:

31 (a) Carry out a program of education for customers of contractors.

32 (b) Maintain and make known a telephone number for the public to
33 obtain information about self-protection from fraud in construction and
34 other information concerning contractors and contracting.

35 *(c) Review and, as necessary, investigate in a timely manner each*
36 *complaint received from the general public.*

37 3. The board may provide advisory opinions and take other actions that
38 are necessary for the effective administration of this chapter and the
39 regulations of the board.

40 **Sec. 8.** 1. Except as otherwise provided in subsection 3, the terms of
41 office of all members of the state contractors' board who are serving on
42 October 30, 1999, expire upon the commencement of the terms of their
43 successors appointed pursuant to subsection 2. A member of the board may

1 be appointed to succeed himself if he is qualified pursuant to NRS 624.050
2 as amended by this act. For the purposes of subsection 2 of NRS 624.050
3 as amended by this act, the term of office for each member in office on
4 January 1, 2001, shall be deemed his first term of office.

5 2. On or before October 31, 1999, the governor shall appoint members
6 to the state contractors' board as follows:

7 (a) Three members who are qualified as general contractors pursuant to
8 paragraph (a) of subsection 1 of NRS 624.050 as amended by this act,
9 whose terms of office commence on October 31, 1999, and expire on
10 October 30, 2002.

11 (b) One member who qualifies as a subcontractor pursuant to paragraph
12 (a) of subsection 1 of NRS 624.050 as amended by this act, whose term of
13 office commences on October 31, 1999, and expires on October 30, 2004.

14 (c) One member who qualifies as an architect or professional engineer
15 pursuant to paragraph (b) of subsection 1 of NRS 624.050 as amended by
16 this act, whose term of office commences on October 31, 1999, and expires
17 on October 30, 2002.

18 3. The contractor previously appointed pursuant to NRS 624.050
19 whose term expires on October 30, 2000, and the representative of the
20 public previously appointed pursuant to NRS 624.050 whose term expires
21 on October 30, 2000, shall serve out the remainder of their terms.

22 4. After the expiration of the terms of office set forth in subsections 2
23 and 3, the new or reappointed members of the state contractors' board serve
24 for a term of 4 years or until their successors have been appointed, as
25 required by subsection 2 of NRS 624.050 as amended by this act.

26 **Sec. 9.** 1. This section and sections 1, 2, 3 and 5 to 8, inclusive, of
27 this act become effective on July 1, 1999.

28 2. Section 4 of this act becomes effective on October 31, 1999.