

ASSEMBLY BILL NO. 155—COMMITTEE ON COMMERCE AND LABOR
(ON BEHALF OF NEVADA LEAGUE OF CITIES AND MUNICIPALITIES)

FEBRUARY 15, 2001

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing substitution of subcontractor who is named in bid for public work or improvement. (BDR 28-366)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

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

AN ACT relating to public works; revising the provisions governing the substitution of a subcontractor who is named in a bid for a public work or improvement; 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.** NRS 338.141 is hereby amended to read as follows:
2 338.141 1. Except as otherwise provided in subsection 2, each bid
3 submitted to any officer, department, board or commission for the
4 construction of any public work or improvement must include:
5 (a) The name of each subcontractor who will provide labor or a portion
6 of the work or improvement to the contractor for which he will be paid an
7 amount exceeding 5 percent of the prime contractor's total bid. Within 2
8 hours after the completion of the opening of the bids, the general
9 contractors who submitted the three lowest bids must submit a list ~~to~~
10 *containing* the name of each subcontractor who will provide labor or a
11 portion of the work or improvement to the contractor for which he will be
12 paid an amount exceeding 1 percent of the prime contractor's total bid or
13 \$50,000, whichever is greater, and the number of the license issued to the
14 subcontractor pursuant to chapter 624 of NRS. If a general contractor fails
15 to submit such a list within the required time, his bid shall be deemed not
16 responsive.
17 (b) A description of the portion of the work or improvement which each
18 subcontractor named in the bid will complete.



1 2. The contractor shall list in his bid pursuant to subsection 1 the name
2 of a subcontractor for each portion of the project that will be completed by
3 a subcontractor.

4 3. A contractor whose bid is accepted shall not substitute any person
5 for a subcontractor who is named in the bid, unless:

6 (a) The awarding authority objects to the subcontractor, requests in
7 writing a change in the subcontractor and pays any increase in costs
8 resulting from the change; or

9 (b) The *proposed* substitution is *submitted to and* approved by the
10 awarding authority *or, if authorized by the terms of the contract for the*
11 *public work or improvement, is submitted to and approved by a person*
12 *designated by the awarding authority,* and:

13 (1) The *named* subcontractor, after having a reasonable opportunity,
14 fails or refuses to execute a written contract with the contractor which was
15 offered to the subcontractor with ~~the same terms that all other~~
16 ~~subcontractors on the project were offered;~~ *terms that reasonably*
17 *conform to the terms of the bid submitted by the subcontractor to the*
18 *contractor;*

19 (2) The named subcontractor files for bankruptcy or becomes
20 insolvent; or

21 (3) The named subcontractor fails or refuses to perform his
22 subcontract within a reasonable time or is unable to furnish a performance
23 bond and payment bond pursuant to NRS 339.025.

24 **Sec. 2.** The amendatory provisions of section 1 of this act do not apply
25 to a public work or improvement for which a bid has been submitted before
26 the effective date of this act.

27 **Sec. 3.** This act becomes effective upon passage and approval.

