

(REPRINTED WITH ADOPTED AMENDMENTS)  
FIRST REPRINT S.B. 380

---

SENATE BILL NO. 380—SENATOR SCHNEIDER

MARCH 19, 2001

---

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to contractors. (BDR 32-944)

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 contractors; eliminating the duty of a contractor to require proof of payment of the business tax from a subcontractor with whom he has a contract; eliminating the liability of a contractor for contributions for benefits for unemployment owed by such a subcontractor; 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 364A.340 is hereby amended to read as follows:  
2     364A.340 A person who:  
3         1. Is required to be licensed pursuant to chapter 624 of NRS; and  
4         2. Contracts with a subcontractor who is required to be licensed  
5     pursuant to that chapter and to have a business license and pay the tax  
6     imposed by this chapter,  
7     shall require proof that the subcontractor has a business license ~~and has~~  
8     ~~paid the tax imposed by this chapter~~ before commencing payments to the  
9     subcontractor. For the purposes of this section, a subcontractor proves that  
10    he has a business license ~~and has paid the tax imposed by this chapter by~~  
11    ~~presenting a receipt for or other evidence that he made the last quarterly~~  
12    ~~payment required pursuant to this chapter.~~ ***by submitting a copy of the***  
13    ***business license to the contractor.***  
14    **Sec. 2.** NRS 624.640 is hereby amended to read as follows:  
15    624.640 The ~~employment security division of the department of~~  
16    ~~employment, training and rehabilitation and the~~ administrator of the  
17    division of industrial relations of the department of business and industry  
18    shall make available, upon request, to any licensed contractor the names  
19    and addresses of subcontractors who are delinquent in paying the amounts  
20    owed by the subcontractor to ~~the~~  
21    ~~1. The division for benefits for unemployment pursuant to chapter 612~~  
22    ~~of NRS; and~~



\* S B 3 8 0 R 1 \*

- 1 ~~2. A~~ *a* private carrier that provides industrial insurance in this state for  
2 premiums for industrial insurance.  
3 **Sec. 3.** NRS 612.687 is hereby repealed.  
4 **Sec. 4.** This act becomes effective on July 1, 2001.

---

---

**TEXT OF REPEALED SECTION**

---

---

**612.687 Liability of contractor to assure payment of amounts due from subcontractors.**

1. Every contractor, as defined in NRS 624.020, who contracts with a subcontractor who is an employer under the provisions of this chapter or becomes such an employer before the completion of the contract shall, in connection with each such contract:

- (a) Withhold sufficient money on the contract; or
  - (b) Require of such subcontractor a good and sufficient surety bond,
- to guarantee the payment of all contributions, penalties and interest which are due or become due pursuant to the provisions of this chapter with respect to wages paid for employment on the contract.

2. Any contractor who fails to comply with the provisions of subsection 1 is directly liable for all contributions, penalties and interest due from the subcontractor pursuant to the provisions of this chapter with respect to wages paid for employment on the contract, as if the services in question had been performed directly for the contractor, and the remedies of collection which are available to the administrator under the provisions of this chapter against the subcontractor as employer are equally available against the contractor.

