
ASSEMBLY BILL NO. 156—ASSEMBLYMEN CONKLIN, HARDY,
PARKS, ATKINSON, CHRISTENSEN, KIRKPATRICK AND
SIBLEY

MARCH 1, 2005

JOINT SPONSORS: SENATORS HARDY, LEE AND TIFFANY

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing terms of certain contracts between public bodies and certain design professionals. (BDR 28-858)

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 terms of certain contracts between public bodies and certain design professionals; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes mandatory, optional and prohibited provisions in a contract for the provision of services in connection with a public work entered into between a public body and a design professional who is not a member of a design-build team. The contract must include provisions relating to payment and costs for enforcement of the contract. In addition, the contract may include provisions relating to a discount for prompt payment, the terms by which the design professional agrees to name the public body at its own cost as an additional insured in an insurance policy held by the design professional and a requirement that the design professional defend, indemnify and hold harmless the public body and its employees, officers and agents in certain matters arising out of the acts or omissions of the design professional or his employees or agents in the performance of the contract. The contract may not, however, require the design professional to defend, indemnify or hold harmless the public body or its employees, officers or agents in certain matters arising out of the acts or omissions of the employees, officers or agents of the public body. (NRS 338.155)

This bill specifies that the type of insurance policy to which such a contract may require the design professional to add the public body as an additional insured



18 is a general liability insurance policy held by the design professional. This bill also
19 provides that, in certain matters arising out of the acts or omissions of the design
20 professional or his employees or agents, such a contract may not require the design
21 professional to defend the public body or its officers and employees and may not
22 require the design professional to defend, indemnify or hold harmless the agents of
23 the public body.

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

1 **Section 1.** NRS 338.155 is hereby amended to read as follows:

2 338.155 If a public body enters into a contract with a design
3 professional who is not a member of a design-build team, for the
4 provision of services in connection with a public work, the contract:

5 1. Must set forth:

6 (a) The specific period within which the public body must pay
7 the design professional.

8 (b) The specific period and manner in which the public body
9 may dispute a payment or portion thereof that the design
10 professional alleges is due.

11 (c) The terms of any penalty that will be imposed upon the
12 public body if the public body fails to pay the design professional
13 within the specific period set forth in the contract pursuant to
14 paragraph (a).

15 (d) That the prevailing party in an action to enforce the contract
16 is entitled to reasonable attorney's fees and costs.

17 2. May set forth the terms of any discount that the public body
18 will receive if the public body pays the design professional within
19 the specific period set forth in the contract pursuant to paragraph (a)
20 of subsection 1.

21 3. May set forth the terms by which the design professional
22 agrees to name the public body, at the cost of the public body, as an
23 additional insured in ~~an~~ **a general liability** insurance policy held
24 by the design professional.

25 4. Except as otherwise provided in subsection 5, must not
26 require the design professional to defend, indemnify or hold
27 harmless the public body or the employees, officers or agents of that
28 public body from any liability, damage, loss, claim, action or
29 proceeding caused by the negligence, errors, omissions, recklessness
30 or intentional misconduct of the employees, officers or agents of the
31 public body.

32 5. May require the design professional to ~~defend,~~ indemnify
33 and hold harmless the public body ~~and~~ and the employees ~~officers~~
34 ~~and agents~~ **and officers** of the public body from any liabilities,
35 damages, losses, claims, actions or proceedings, including, without



1 limitation, reasonable attorneys' fees, that are caused by the
2 negligence, errors, omissions, recklessness or intentional
3 misconduct of the design professional or the employees or agents of
4 the design professional in the performance of the contract.
5 **Sec. 2.** The amendatory provisions of this act do not apply to
6 contracts entered into before October 1, 2005.



