

ASSEMBLY BILL NO. 193—ASSEMBLYWOMAN KIRKPATRICK

MARCH 10, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to contractors.
(BDR 54-920)

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

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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 contractors; providing that certain owners of planned unit developments are not contractors; providing that such owners are subject to certain rights and duties with respect to contracts and subcontracts; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the regulation and licensure of contractors in this State. (Chapter 624 of NRS) Under existing law, a contractor is defined as a person, other than a registered architect or licensed professional engineer, who in his professional capacity undertakes in various ways to engage in forms of construction. The term includes subcontractors, specialty contractors and construction managers who perform management and counseling services on a construction project for a professional fee. (NRS 624.020)

This bill amends the definition of contractor to exclude from the term an owner of a planned unit development who enters into a contract with a general contractor to undertake in various ways to engage in forms of construction generally undertaken by a contractor or to act as a construction manager on a construction project.

Existing law prescribes certain rights and duties of owners, contractors and subcontractors under contracts and subcontracts. (NRS 624.606-624.630)

This bill provides that the term "owner" for purposes of those rights and duties includes an owner of a planned unit development.

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

Section 1. The Legislature hereby finds and declares that the provisions of this act shall not be construed as impairing or



1 otherwise affecting the right of a person to bring an action for a
2 constructional defect pursuant to NRS 40.600 to 40.695, inclusive.

3 **Sec. 2.** Chapter 624 of NRS is hereby amended by adding
4 thereto the provisions set forth as sections 2 and 3 of this act.

5 **Sec. 3.** *“Planned unit development” has the meaning*
6 *ascribed to it in NRS 278A.065.*

7 **Sec. 4.** *“Owner” includes, without limitation, the owner of a*
8 *planned unit development.*

9 **Sec. 5.** NRS 624.006 is hereby amended to read as follows:

10 624.006 As used in this chapter, unless the context otherwise
11 requires, the words and terms defined in NRS 624.010 to 624.024,
12 inclusive, *and section 2 of this act*, have the meanings ascribed to
13 them in those sections.

14 **Sec. 6.** NRS 624.020 is hereby amended to read as follows:

15 624.020 1. “Contractor” is synonymous with “builder.”

16 2. A contractor is any person, except a registered architect or a
17 licensed professional engineer, acting solely in his professional
18 capacity, who in any capacity other than as the employee of another
19 with wages as the sole compensation, undertakes to, offers to
20 undertake to, purports to have the capacity to undertake to, or
21 submits a bid to, or does himself or by or through others, construct,
22 alter, repair, add to, subtract from, improve, move, wreck or
23 demolish any building, highway, road, railroad, excavation or other
24 structure, project, development or improvement, or to do any part
25 thereof, including the erection of scaffolding or other structures or
26 works in connection therewith. Evidence of the securing of any
27 permit from a governmental agency or the employment of any
28 person on a construction project must be accepted by the Board or
29 any court of this State as prima facie evidence that the person
30 securing that permit or employing any person on a construction
31 project is acting in the capacity of a contractor pursuant to the
32 provisions of this chapter.

33 3. A contractor includes a subcontractor or specialty contractor,
34 but does not include anyone who merely furnishes materials or
35 supplies without fabricating them into, or consuming them in the
36 performance of, the work of a contractor.

37 4. A contractor includes a construction manager who performs
38 management and counseling services on a construction project for a
39 professional fee.

40 *5. A contractor does not include an owner of a planned unit*
41 *development who enters into a contract with a general contractor*
42 *to perform any service or conduct any activity described in*
43 *subsection 2 or 4.*



- 1 **Sec. 7.** NRS 624.606 is hereby amended to read as follows:
- 2 624.606 As used in NRS 624.606 to 624.630, inclusive, *and*
- 3 *section 4 of this act*, the words and terms defined in NRS 624.607
- 4 and 624.608 *and section 4 of this act* have the meanings ascribed to
- 5 them in those sections.



