
SENATE BILL NO. 58—COMMITTEE ON COMMERCE AND LABOR

FEBRUARY 15, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Prohibits certain contractors from repairing constructional defect. (BDR 54-719)

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; prohibiting certain contractors who assist in proving a constructional defect from repairing, causing the repair of or benefiting from the repair of the constructional defect; making a contractor who engages in any such act subject to disciplinary action; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law allows both the claimant and defendant in disputes over constructional defects in a new or existing home to consult an expert to determine the existence, nature or extent of a constructional defect. (NRS 40.600-40.695) Existing law further provides the State Contractors' Board with regulatory authority over contractors in this State and authorizes the Board to bring disciplinary action against a contractor for certain actions. (Chapter 624 of NRS)

This bill prohibits a licensed contractor who testifies in an action concerning a constructional defect or who otherwise provides an expert opinion in such an action from repairing, causing to be repaired or receiving any benefit as the result of any repair of the constructional defect which the contractor helped prove. This prohibition applies regardless of whether the contractor received any compensation for providing such testimony or other expert opinion. A contractor who engages in an act prohibited by this bill is subject to disciplinary action by the State Contractors' Board.



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

Section 1. Chapter 624 of NRS is hereby amended by adding thereto a new section to read as follows:

1. If a contractor who is licensed pursuant to this chapter assists in proving an alleged constructional defect by testifying in an action concerning a constructional defect or otherwise providing an expert opinion for use in such an action, the contractor shall not repair, cause to be repaired or receive any benefit as the result of any repair of the constructional defect.

2. The provisions of this section apply regardless of whether the contractor receives any compensation for the testimony or other opinion.

Sec. 2. NRS 624.3016 is hereby amended to read as follows:

624.3016 The following acts or omissions, among others, constitute cause for disciplinary action under NRS 624.300:

1. Any fraudulent or deceitful act committed in the capacity of a contractor, including, without limitation, misrepresentation or the omission of a material fact.

2. A conviction of a violation of NRS 624.730, a felony relating to the practice of a contractor or a crime involving moral turpitude.

3. Knowingly making a false statement in or relating to the recording of a notice of lien pursuant to the provisions of NRS 108.226.

4. Failure to give a notice required by NRS 108.227, 108.245 or 108.246.

5. Failure to comply with NRS 597.713, 597.716 or 597.719 or any regulations of the Board governing contracts for the construction of residential pools and spas.

6. Failure to comply with NRS 624.600.

7. Misrepresentation or the omission of a material fact, or the commission of any other fraudulent or deceitful act, to obtain a license.

8. Failure to pay an assessment required pursuant to NRS 624.470.

9. Failure to file a certified payroll report that is required for a contract for a public work.

10. Knowingly submitting false information in an application for qualification or a certified payroll report that is required for a contract for a public work.

11. Failure to comply with section 1 of this act.



- 1 **Sec. 3.** The provisions of this act apply to a contractor who
- 2 assists in any action commenced on or after October 1, 2005, and to
- 3 a contractor who has assisted in any action commenced before
- 4 October 1, 2005, if the action remains pending on October 1, 2005.



