

SENATE BILL NO. 358—SENATOR SCHNEIDER

MARCH 19, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing the fiduciary duties of contractors. (BDR 54-995)

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; providing that contractors, subcontractors, laborers and suppliers of material have a fiduciary duty to their clients; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the rights, duties and liabilities under certain agreements for works of improvement to real estate. (NRS 624.606-624.630) This bill provides that each contractor, subcontractor, laborer, supplier of material and any other person who enters into an agreement to provide work, materials or equipment to improve a single-family residence has a fiduciary duty to the owner of the residence with respect to certain dealings with a third party.

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:

Each prime contractor, subcontractor, laborer, supplier of materials or other person who enters into an oral or written agreement to provide work, materials or equipment for a work of improvement to a single-family residence has a fiduciary duty to the owner of the residence with respect to any dealings with a third party which relate to the improvement of the residence.

Sec. 2. NRS 624.606 is hereby amended to read as follows:

624.606 As used in NRS 624.606 to 624.630, inclusive, *and section 1 of this act*, the words and terms defined in NRS 624.607



1 to 624.6086, inclusive, have the meanings ascribed to them in those
2 sections.

③⑩

