

Amendment No. 651

Assembly Amendment to Senate Bill No. 18 (BDR 54-500)

Proposed by: Assembly Committee on Commerce and Labor

Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date
Adopted	☐	Lost	☐ _____	Adopted	☐	Lost	☐ _____
Concurred In	☐	Not	☐ _____	Concurred In	☐	Not	☐ _____
Receded	☐	Not	☐ _____	Receded	☐	Not	☐ _____

EXPLANATION: Matter in (1) ***blue bold italics*** is new language in the original bill; (2) ***green bold italic underlining*** is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) ~~orange double underlining~~ is deleted language in the original bill that is proposed to be retained in this amendment; and (6) ***green bold underlining*** is newly added transitory language.

JMM/MSN



Date: 5/19/2011

S.B. No. 18—Revises provisions governing the State Contractors’ Board.
(BDR 54-500)



SENATE BILL NO. 18—COMMITTEE ON
COMMERCE, LABOR AND ENERGY

(ON BEHALF OF THE STATE CONTRACTORS' BOARD)

PREFILED DECEMBER 13, 2010

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions governing the State Contractors' Board.
(BDR 54-500)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; authorizing the State Contractors' Board to discipline a licensed contractor for failure or refusal to comply with an order of the Board; requiring the Board to impose an administrative fine against a licensee who fails or refuses to comply with an order of the Board; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the State Contractors' Board to discipline licensed contractors and other persons in this State for certain acts or omissions relating to work as a contractor. (NRS 624.295-624.361) Existing law also authorizes the Board to issue an order: (1) requiring a person without an active contractors' license to cease and desist acting as a contractor or bidding on contracting jobs; (2) suspending, revoking or restricting the license of a contractor; (3) requiring a licensed contractor to reimburse the account established pursuant to NRS 624.470 for any sum paid out of the account for injuries caused to a person by the contractor; (4) imposing an administrative fine on a person or licensed contractor; (5) requiring a person or licensed contractor to correct certain conditions; (6) requiring a person to reimburse the Board for certain expenses; or (7) requiring a person or licensed contractor to cease and desist any unlawful advertising. (NRS 624.212, 624.291, 624.300, 624.341, 624.720)

~~This~~ Section 2 of this bill expands the scope of the authority of the Board by authorizing the Board to discipline licensed contractors for failure or refusal to comply with an order of the Board. Section 1 of this bill requires the Board to impose an administrative fine of \$1,000 against a licensee who fails or refuses to comply with an order of the Board in addition to certain other disciplinary actions which may be taken by the Board against the licensee.

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

Section 1. NRS 624.300 is hereby amended to read as follows:

624.300 1. Except as otherwise provided in subsections 3 and 5, the Board may:

- (a) Suspend or revoke licenses already issued;
- (b) Refuse renewals of licenses;
- (c) Impose limits on the field, scope and monetary limit of the license;
- (d) Impose an administrative fine of not more than \$10,000;
- (e) Order a licensee to repay to the account established pursuant to NRS 624.470, any amount paid out of the account pursuant to NRS 624.510 as a result of an act or omission of that licensee;

(f) Order the licensee to take action to correct a condition resulting from an act which constitutes a cause for disciplinary action, at the licensee's cost, that may consist of requiring the licensee to:

- (1) Perform the corrective work himself or herself;
- (2) Hire and pay another licensee to perform the corrective work; or
- (3) Pay to the owner of the construction project a specified sum to correct

the condition; or

(g) Issue a public reprimand or take other less severe disciplinary action, including, without limitation, increasing the amount of the surety bond or cash deposit of the licensee,

↪ if the licensee commits any act which constitutes a cause for disciplinary action.

2. If the Board suspends or revokes the license of a contractor for failure to establish financial responsibility, the Board may, in addition to any other conditions for reinstating or renewing the license, require that each contract undertaken by the licensee for a period to be designated by the Board, not to exceed 12 months, be separately covered by a bond or bonds approved by the Board and conditioned upon the performance of and the payment of labor and materials required by the contract.

3. If a licensee violates:

(a) The provisions of NRS 624.3014, subsection 2 or 3 of NRS 624.3015, subsection 1 of NRS 624.302 or subsection 1 of NRS 624.305, the Board may impose for each violation an administrative fine in an amount that is not more than \$50,000.

(b) The provisions of subsection 4 of NRS 624.3015:

(1) For a first offense, the Board shall impose an administrative fine of not less than \$1,000 and not more than \$50,000, and may suspend the license of the licensee for 6 months;

(2) For a second offense, the Board shall impose an administrative fine of not less than \$5,000 and not more than \$50,000, and may suspend the license of the licensee for 1 year; and

(3) For a third or subsequent offense, the Board shall impose an administrative fine of not less than \$10,000 and not more than \$50,000, and may revoke the license of the licensee.

(c) The provisions of subsection 7 of NRS 624.302, the Board shall, in addition to any other disciplinary action taken pursuant to this section, impose an administrative fine of \$1,000.

4. The Board shall, by regulation, establish standards for use by the Board in determining the amount of an administrative fine imposed pursuant to subsection 3.

1 The standards must include, without limitation, provisions requiring the Board to
2 consider:

3 (a) The gravity of the violation;

4 (b) The good faith of the licensee; and

5 (c) Any history of previous violations of the provisions of this chapter
6 committed by the licensee.

7 5. If a licensee is prohibited from being awarded a contract for a public work
8 pursuant to NRS 338.017, the Board may suspend the license of the licensee for the
9 period of the prohibition.

10 6. If a licensee commits a fraudulent act which is a cause for disciplinary
11 action under NRS 624.3016, the correction of any condition resulting from the act
12 does not preclude the Board from taking disciplinary action.

13 7. If the Board finds that a licensee has engaged in repeated acts that would be
14 cause for disciplinary action, the correction of any resulting conditions does not
15 preclude the Board from taking disciplinary action pursuant to this section.

16 8. The expiration of a license by operation of law or by order or decision of
17 the Board or a court, or the voluntary surrender of a license by a licensee, does not
18 deprive the Board of jurisdiction to proceed with any investigation of, or action or
19 disciplinary proceeding against, the licensee or to render a decision suspending or
20 revoking the license.

21 9. The Board shall not issue a private reprimand to a licensee.

22 10. An order that imposes discipline and the findings of fact and conclusions
23 of law supporting that order are public records.

24 11. An administrative fine imposed pursuant to this section or NRS 624.341
25 or 624.710 plus interest at a rate that is equal to the prime rate at the largest bank in
26 this State, as determined by the Commissioner of Financial Institutions on January
27 1 or July 1, as appropriate, immediately preceding the date of the order imposing
28 the administrative fine, plus 4 percent, must be paid to the Board before the
29 issuance or renewal of a license to engage in the business of contracting in this
30 State. The interest must be collected from the date of the order until the date the
31 administrative fine is paid.

32 12. All fines and interest collected pursuant to this section must be deposited
33 with the State Treasurer for credit to the Construction Education Account created
34 pursuant to NRS 624.580.

35 ~~Section 1.~~ **Sec. 2.** NRS 624.302 is hereby amended to read as follows:

36 624.302 The following acts or omissions, among others, constitute cause for
37 disciplinary action pursuant to NRS 624.300:

38 1. Contracting, offering to contract or submitting a bid as a contractor if the
39 contractor's license:

40 (a) Has been suspended or revoked pursuant to NRS 624.300; or

41 (b) Is inactive.

42 2. Failure to comply with a written citation issued pursuant to NRS 624.341
43 within the time permitted for compliance set forth in the citation, or, if a hearing is
44 held pursuant to NRS 624.291, within 15 business days after the hearing.

45 3. Except as otherwise provided in subsection 2, failure to pay an
46 administrative fine imposed pursuant to this chapter within 30 days after:

47 (a) Receiving notice of the imposition of the fine; or

48 (b) The final administrative or judicial decision affirming the imposition of the
49 fine,

50 ➤ whichever occurs later.

51 4. The suspension, revocation or other disciplinary action taken by another
52 state against a contractor based on a license issued by that state if the contractor is
53 licensed in this State or applies for a license in this State. A certified copy of the

1 suspension, revocation or other disciplinary action taken by another state against a
2 contractor based on a license issued by that state is conclusive evidence of that
3 action.

4 5. Failure or refusal to respond to a written request from the Board or its
5 designee to cooperate in the investigation of a complaint.

6 6. Failure or refusal to comply with a written request by the Board or its
7 designee for information or records, or obstructing or delaying the providing of
8 such information or records.

9 ***7. Failure or refusal to comply with an order of the Board.***