

ASSEMBLY BILL NO. 334—ASSEMBLYMEN HEALEY, KIRKPATRICK;
COHEN, FIORE, LIVERMORE, PIERCE AND SWANK

MARCH 18, 2013

JOINT SPONSOR: SENATOR JONES

Referred to Committee on Commerce and Labor

SUMMARY—Provides certain exemptions from provisions relating
to contractors. (BDR 54-921)

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; exempting certain licensed real
estate brokers and salespersons from provisions relating
to contractors; requiring certain licensed real estate
brokers and salespersons to maintain certain records; and
providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Existing law provides certain exemptions from the applicability of the
2 provisions of chapter 624 of NRS, which provides for the licensing and regulation
3 of contractors. (NRS 624.031) This bill exempts from those provisions a licensed
4 real estate broker, real estate broker-salesperson or real estate salesperson who,
5 acting within the scope of his or her license or a permit to engage in property
6 management, assists a client in scheduling work to repair or maintain a residential
7 property under certain circumstances. This bill also requires the person licensed as
8 a real estate broker, real estate broker-salesperson or real estate salesperson to
9 maintain a record of any such work that the person assists a client in scheduling.

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

- 1 **Section 1.** NRS 624.031 is hereby amended to read as follows:
2 624.031 The provisions of this chapter do not apply to:
3 1. Work performed exclusively by an authorized representative
4 of the United States Government, the State of Nevada, or an



1 incorporated city, county, irrigation district, reclamation district, or
2 other municipal or political corporation or subdivision of this State.

3 2. An officer of a court when acting within the scope of his or
4 her office.

5 3. Work performed exclusively by a public utility operating
6 pursuant to the regulations of the Public Utilities Commission of
7 Nevada on construction, maintenance and development work
8 incidental to its business.

9 4. An owner of property who is building or improving a
10 residential structure on the property for his or her own occupancy
11 and not intended for sale or lease. The sale or lease, or the offering
12 for sale or lease, of the newly built structure within 1 year after its
13 completion creates a rebuttable presumption for the purposes of this
14 section that the building of the structure was performed with the
15 intent to sell or lease that structure. An owner of property who
16 requests an exemption pursuant to this subsection must apply to the
17 Board for the exemption. The Board shall adopt regulations setting
18 forth the requirements for granting the exemption.

19 5. Any work to repair or maintain property the value of which
20 is less than \$1,000, including labor and materials, unless:

21 (a) A building permit is required to perform the work;

22 (b) The work is of a type performed by a plumbing, electrical,
23 refrigeration, heating or air-conditioning contractor;

24 (c) The work is of a type performed by a contractor licensed in a
25 classification prescribed by the Board that significantly affects the
26 health, safety and welfare of members of the general public;

27 (d) The work is performed as a part of a larger project:

28 (1) The value of which is \$500 or more; or

29 (2) For which contracts of less than \$500 have been awarded
30 to evade the provisions of this chapter; or

31 (e) The work is performed by a person who is licensed pursuant
32 to this chapter or by an employee of that person.

33 6. The sale or installation of any finished product, material or
34 article of merchandise which is not fabricated into and does not
35 become a permanent fixed part of the structure.

36 7. The construction, alteration, improvement or repair of
37 personal property.

38 8. The construction, alteration, improvement or repair financed
39 in whole or in part by the Federal Government and conducted within
40 the limits and boundaries of a site or reservation, the title of which
41 rests in the Federal Government.

42 9. An owner of property, the primary use of which is as an
43 agricultural or farming enterprise, building or improving a structure
44 on the property for his or her use or occupancy and not intended for
45 sale or lease.



10. Construction oversight services provided to a long-term recovery group by a qualified person within a particular geographic area that is described in a proclamation of a state of emergency or declaration of disaster by the State or Federal Government, including, without limitation, pursuant to NRS 414.070. A long-term recovery group may reimburse such reasonable expenses as the qualified person incurs in providing construction oversight services to that group. Except as otherwise provided in this subsection, nothing in this subsection authorizes a person who is not a licensed contractor to perform the acts described in paragraphs (a) and (b) of subsection 1 of NRS 624.700. As used in this subsection:

(a) "Construction oversight services" means the coordination and oversight of labor by volunteers.

(b) "Long-term recovery group" means a formal group of volunteers coordinating response and recovery efforts related to a state of emergency or disaster that is proclaimed or declared by the State or Federal Government.

(c) "Qualified person" means a person who possesses the abilities, education, experience, knowledge, skills and training that a long-term recovery group has identified as being necessary to provide construction oversight services for a project to be performed by that group.

11. A person licensed as a real estate broker, real estate broker-salesperson or real estate salesperson pursuant to chapter 645 of NRS who, acting within the scope of the license or a permit to engage in property management issued pursuant to NRS 645.6052, assists a client in scheduling work to repair or maintain residential property pursuant to a written brokerage agreement or a property management agreement. Such assistance includes, without limitation, assisting a client in the hiring of any number of licensed contractors to perform the work. Nothing in this subsection authorizes the performance of any work for which a license is required pursuant to this chapter by a person who is not licensed pursuant to this chapter or the payment of any additional compensation to a person licensed as a real estate broker, real estate broker-salesperson or real estate salesperson for assisting a client in scheduling the work. The provisions of this subsection apply only if a building permit is not required to perform the work and if the value of the work does not exceed \$10,000 per residential property during the fixed term of the written brokerage agreement, if the assistance is provided pursuant to such an agreement, or during a period not to exceed 6 months if the assistance is provided pursuant to a property management agreement. As used in this subsection:



1 (a) "Brokerage agreement" has the meaning ascribed to it in
2 NRS 645.005.

3 (b) "Property management agreement" has the meaning
4 ascribed to it in NRS 645.0192.

5 (c) "Real estate broker" has the meaning ascribed to it in
6 NRS 645.030.

7 (d) "Real estate broker-salesperson" has the meaning ascribed
8 to it in NRS 645.035.

9 (e) "Real estate salesperson" has the meaning ascribed to it in
10 NRS 645.040.

11 (f) "Residential property" means:

12 (1) Improved real estate that consists of not more than four
13 residential units; or

14 (2) A single-family residential unit, including a
15 condominium, townhouse or home within a subdivision, if the unit
16 is sold, leased or otherwise conveyed unit by unit, regardless of
17 whether the unit is part of a larger building or parcel that consists
18 of more than four units.

19 **Sec. 2.** Chapter 645 of NRS is hereby amended by adding
20 thereto a new section to read as follows:

21 1. A person licensed pursuant to this chapter as a real estate
22 broker, real estate broker-salesperson or real estate salesperson
23 shall maintain a record of all work performed on a residential
24 property that the person assists a client in scheduling pursuant to
25 subsection 11 of NRS 624.031.

26 2. The record required by subsection 1 must include, without
27 limitation:

28 (a) The name of any person licensed pursuant to chapter 624
29 of NRS who performs such work;

30 (b) The date on which the work was performed;

31 (c) A copy of any written contract to perform the work; and

32 (d) A copy of any invoice prepared in connection with the
33 work.

34 3. As used in this section, "residential property" has the
35 meaning ascribed to it in NRS 624.031.

