

ASSEMBLY BILL NO. 27—COMMITTEE
ON COMMERCE AND LABOR

(ON BEHALF OF THE STATE CONTRACTORS' BOARD)

PREFILED NOVEMBER 16, 2022

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to contractors who provide management and counseling services on construction projects. (BDR 54-269)

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; requiring a general building contractor who provides management and counseling services on a construction project to have an active license in each classification or subclassification required to be held by the prime contractor for the construction project; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 With certain exceptions, existing law provides that a contractor whose principal
- 2 contracting business is in connection with the construction or remodeling of certain
- 3 types of buildings or structures is considered to be a general building contractor.
- 4 (NRS 624.215) Existing law authorizes a general building contractor to provide
- 5 management and counseling services on a construction project for a professional
- 6 fee. (NRS 624.215) This bill requires a general building contractor who provides
- 7 such services to have an active license in each classification or subclassification
- 8 that is required to be held by the prime contractor for the construction project.



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

1 **Section 1.** NRS 624.215 is hereby amended to read as follows:

2 624.215 1. For the purpose of classification, the contracting
3 business includes the following branches:

4 (a) General engineering contracting.

5 (b) General building contracting.

6 (c) Specialty contracting.

7 ↪ General engineering contracting and general building contracting
8 are mutually exclusive branches.

9 2. A general engineering contractor is a contractor whose
10 principal contracting business is in connection with fixed works,
11 including irrigation, drainage, water supply, water power, flood
12 control, harbors, railroads, highways, tunnels, airports and airways,
13 sewers and sewage disposal systems, bridges, inland waterways,
14 pipelines for transmission of petroleum and other liquid or gaseous
15 substances, refineries, chemical plants and industrial plants
16 requiring a specialized engineering knowledge and skill, power
17 plants, piers and foundations and structures or work incidental
18 thereto.

19 3. Except as otherwise provided in subsections 5 and 6, a
20 general building contractor is a contractor whose principal
21 contracting business is in connection with the construction or
22 remodeling of buildings or structures for the support, shelter and
23 enclosure of persons, animals, chattels or movable property of any
24 kind, requiring in their construction the use of more than two
25 unrelated building trades or crafts, upon which he or she is a prime
26 contractor and where the construction or remodeling of a building is
27 the primary purpose. Unless he or she holds the appropriate
28 specialty license, a general building contractor may only contract to
29 perform specialty contracting if he or she is a prime contractor on a
30 project. Except as otherwise provided in subsection 4 of NRS
31 624.220, a general building contractor shall not perform specialty
32 contracting in plumbing, electrical, refrigeration and air-
33 conditioning or fire protection without a license for the specialty. A
34 person who is licensed pursuant to chapter 489 of NRS and who
35 exclusively constructs or repairs mobile homes, manufactured
36 homes or commercial coaches is not a general building contractor.

37 4. A specialty contractor is a contractor whose operations as
38 such are the performance of construction work requiring special
39 skill and whose principal contracting business involves the use of
40 specialized building trades or crafts.

41 5. A general engineering contractor, when acting as a prime
42 contractor, may hire not more than one general building contractor



1 to provide any work, materials or equipment as specified in
2 subsection 3 on a single construction project.

3 6. A general building contractor may contract to provide
4 management and counseling services on a construction project for a
5 professional fee. A general building contractor who has contracted
6 to provide management and counseling services ~~may~~ :

7 *(a) Must have an active license in each classification or*
8 *subclassification that is required to be held by the prime*
9 *contractor on the project.*

10 *(b) May* hire not more than one general building contractor to
11 provide any work, materials or equipment as specified in subsection
12 3 on a single construction project.

13 7. A single construction project must be limited to not more
14 than one general building contractor who provides management and
15 counseling services for a professional fee and not more than one
16 general building contractor who provides any work, materials or
17 equipment as specified in subsection 3.

18 8. Except as otherwise provided in this subsection, each
19 construction project must have one, but not more than one, prime
20 contractor who is a licensed contractor and is responsible for the
21 work, materials and equipment for the construction project. A
22 construction project is not required to have a prime contractor if the
23 work for the construction project or the person providing the work
24 for the construction project is exempt pursuant to NRS 624.031.

25 9. This section does not prevent the Board from establishing,
26 broadening, limiting or otherwise effectuating classifications in a
27 manner consistent with established custom, usage and procedure
28 found in the building trades. The Board is specifically prohibited
29 from establishing classifications in such a manner as to determine or
30 limit craft jurisdictions.

31 10. As used in this section, "prime contractor" means:

32 (a) A general engineering contractor who enters into an oral or
33 written agreement with an owner of a construction project or an
34 agent of an owner to provide any work, materials or equipment for
35 which the general engineering contractor is licensed;

36 (b) A general building contractor who enters into an oral or
37 written agreement with an owner of a construction project or an
38 agent of an owner to provide any work, materials or equipment for
39 which the general building contractor is licensed;

40 (c) A general engineering contractor and general building
41 contractor who enter into an oral or written agreement with an
42 owner of a construction project or an agent of an owner to provide
43 any work, materials or equipment for which the general engineering
44 contractor and general building contractor are licensed; or



(d) A specialty contractor who enters into an oral or written agreement with an owner of a construction project or an agent of an owner to provide:

(1) Any work, materials or equipment for which the specialty contractor is licensed; and

(2) Any other work which is incidental and supplemental thereto.

Sec. 2. The amendatory provisions of section 1 of this act do not apply to a contract entered into before the effective date of this act, but do apply to any renewal or extension of such a contract.

Sec. 3. This act becomes effective upon passage and approval.

