

Amendment No. 226

Senate Amendment to Senate Bill No. 303	(BDR 54-669)
Proposed by: Senate Committee on Growth and Infrastructure	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION			Initial and Date		SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____		Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added 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 proposed to be retained in this amendment.



SENATE BILL NO. 303—SENATOR BROOKS

MARCH 22, 2021

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to professions. (BDR 54-669)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility. Effect on the State: Yes.

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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 a person from performing ~~[, for a fee,]~~ any work concerning residential photovoltaic systems used to produce electricity without the proper license or other authorization under state law; establishing certain requirements for work concerning residential photovoltaic systems and contracts relating thereto; requiring the State Contractors’ Board to adopt regulations establishing certain standards for advertisements for work concerning residential photovoltaic systems; ~~[prohibiting contractors from acting in certain capacities in certain companies, corporations and business entities,]~~ providing that a contract for work concerning a residential photovoltaic system is not enforceable against an owner of a single-family residence under certain circumstances; authorizing the Board to require contractors who perform work concerning residential photovoltaic systems to obtain the services of a construction control, a performance bond or payment bond under certain circumstances; providing for ~~[disciplinary action by the Board]~~ penalties against a contractor who performs work concerning residential photovoltaic systems for certain violations; ~~[providing penalties,]~~ and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

- 1 Existing law governs the work of licensed contractors. (Chapter 624 of NRS) **Sections 3-**
- 2 **5** of this bill define the terms “contract,” “contractor ~~[,]~~,” “electric utility,” “residential
- 3 photovoltaic system” and “work concerning a residential photovoltaic system used to
- 4 produce electricity” for the purposes of certain provisions governing work concerning such
- 5 systems and the licensees of the State Contractors’ Board who perform that work.
- 6 **Section 6** of this bill prohibits a person from performing ~~[, for a fee,]~~ any work on
- 7 residential photovoltaic systems used to produce electricity without the proper license or other
- 8 authorization under state law.

9 **Section 7** of this bill sets forth the requirements for: (1) all work concerning residential
10 photovoltaic systems used to produce electricity; (2) the contractors ~~and subcontractors~~ who
11 perform the work; and (3) the owner-builders who direct the work.

12 **Section 8** of this bill sets forth contractual requirements for the performance of work
13 concerning residential photovoltaic systems used to produce electricity.

14 **Section 9** of this bill: ~~requires;~~ (1) authorizes the State Contractors' Board to adopt
15 regulations establishing certain provisions which must be included in a contract for work
16 concerning a residential photovoltaic system used to produce electricity; and (2) requires the
17 contractor for such work to apply for and obtain all necessary permits ~~and approvals.~~

18 **Section 10** of this bill: (1) establishes certain requirements and prohibitions relating
19 to advertisements and solicitations for work concerning residential photovoltaic systems
20 used to produce electricity; (2) requires the Board to adopt by regulation standards for
21 advertisements for work concerning residential photovoltaic systems used to produce
22 electricity; ~~including provisions prohibiting "bait and switch" advertising;~~ and ~~((2))~~ (3)
23 prohibits a contractor from certain uses of advertisements that do not comply with the
24 standards adopted by the Board.

25 ~~Section 11 of this bill prohibits a contractor who performs work concerning residential~~
26 ~~photovoltaic systems used to produce electricity from acting as an officer, director, employee~~
27 ~~or owner of certain companies, corporations or business entities with certain financial interests~~
28 ~~in work concerning residential photovoltaic systems used to produce electricity.]~~

29 **Section 12** of this bill sets forth certain circumstances under which a contract for work
30 concerning a residential photovoltaic system used to produce electricity is not enforceable
31 against the owner of a single-family residence.

32 **Section 13** of this bill authorizes the Board to require a contractor to obtain the services
33 of a construction control if the Board determines that the contractor has violated certain
34 provisions of law or regulation.

35 **Section 14** of this bill provides that a violation of any provision of **sections 2-14** of this
36 bill constitutes cause for disciplinary action against a contractor by the Board and ~~sets forth~~
37 ~~criminal penalties for certain violations.]~~ may be reported to the Office of the Attorney
38 General as a potential deceptive trade practice.

39 Existing law authorizes the Board to require a contractor who performs certain work to
40 obtain performance and payment bonds if the contractor: (1) is determined by the Board to
41 have committed certain violations; (2) enters into a contract that is later found to be void and
42 unenforceable against an owner; or (3) has five valid complaints filed against him or her with
43 the Board within a 15-day period. (NRS 624.270) **Section 15** of this bill: (1) makes these
44 provisions applicable to contractors who perform work concerning residential photovoltaic
45 systems used to produce electricity ~~and~~; and (2) authorizes the Board to require a
46 contractor who performs certain work to obtain performance and payment bonds if the
47 contractor enters into a contract that is later voided by the owner of the single-family
48 residence.

49 Existing law sets forth certain acts and omissions that constitute cause for disciplinary
50 action against a contractor by the Board. (NRS 624.3016) **Section 16** of this bill provides that
51 a contractor's failure to comply with certain provisions of this bill or regulations adopted by
52 the Board governing contracts for work concerning residential photovoltaic systems used to
53 produce electricity constitutes cause for such disciplinary action.

54 Existing law sets forth the applicability of certain provisions governing construction
55 controls. (NRS 627.175) **Section 17** of this bill provides that those provisions apply to a
56 contractor who is required to obtain the services of a construction control to perform work
57 concerning residential photovoltaic systems used to produce electricity.

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

1 **Section 1.** Chapter 624 of NRS is hereby amended by adding thereto the
2 provisions set forth as sections 2 to 14, inclusive, of this act.

3 **Sec. 2.** *As used in sections 2 to 14, inclusive, of this act, unless the context
4 otherwise requires, the words and terms defined in sections 3 ~~4 and~~ to 5 ,
5 inclusive, of this act have the meanings ascribed to them in those sections.*

6 **Sec. 3.** *“Contract” means any contract or agreement as described in NRS
7 598.9801 to 598.9822, inclusive, in which a contractor agrees to perform work
8 concerning a residential photovoltaic system used to produce electricity.*

9 **Sec. 4.** *“Contractor” means a person licensed pursuant to the provisions of
10 this chapter who performs work concerning residential photovoltaic systems used
11 to produce electricity.*

12 **Sec. 4.3.** *“Electric utility” has the meaning ascribed to it in NRS 704.187.*

13 **Sec. 4.7.** *“Residential photovoltaic system” includes a distributed
14 generation system as that term is defined in NRS 598.9804.*

15 **Sec. 5. 1.** *“Work concerning a residential photovoltaic system used to
16 produce electricity” or “work” means any of the following acts:*

17 (a) *The construction, repair, maintenance, restoration, alteration or
18 improvement of any ~~residential~~ photovoltaic system used to produce or store
19 electricity ~~for~~ on the customer’s side of an electric meter on a single-family
20 residence, including, without limitation, the repair or replacement of existing
21 equipment or the installation of new equipment, as necessary; or*

22 (b) *Any ~~consultation or~~ activity for the supervision concerning such work.*

23 2. *The scope of such work includes the installation, alteration and repair of
24 photovoltaic cells, batteries, ~~and~~ inverters and storage systems used in the
25 conversion of solar energy into electricity ~~for~~ and the storage of that electricity on
26 the customer’s side of an electric meter on a single-family residence.*

27 3. The term does not include:

28 (a) Education regarding solar photovoltaics;

29 (b) Energy audits; or

30 (c) The advertising or solicitation of such work.

31 **Sec. 6.** *A person shall not, directly or indirectly, perform or offer to
32 perform ~~for a fee~~ any work concerning a residential photovoltaic system used
33 to produce electricity ~~for any consultation or supervision concerning such work
34 or otherwise hold himself or herself out as being able to perform such acts for a
35 fee,~~ unless the person holds:*

36 1. *A license ~~as a contractor or subcontractor under state law~~ issued
37 pursuant to this chapter which authorizes the person to perform such ~~acts for a
38 fee,~~ work; or*

39 2. *Any other license, certificate, registration or permit under state law
40 which authorizes the person to perform such ~~acts for a fee,~~ work.*

41 **Sec. 7. 1.** *Any contractor ~~for subcontractor~~ who performs work
42 concerning a residential photovoltaic system used to produce electricity shall,
43 regardless of whether the work is performed under the direction of a builder who
44 is also the owner of the ~~property~~ single-family residence on which the work is
45 being ~~improved~~ performed.*

46 (a) *Apply for and obtain all applicable permits for the work; ~~and~~*

47 (b) *Meet all applicable requirements imposed pursuant to this chapter and
48 any regulations adopted by the Board with respect to contracts for work
49 concerning a residential photovoltaic system used to produce electricity ~~for~~; and*

1 (c) Meet all applicable requirements imposed by the Public Utilities
2 Commission of Nevada or any system for the distribution of electricity to which
3 the work will interconnect.

4 2. If a contractor ~~for subcontractor~~ performs work concerning a residential
5 photovoltaic system used to produce electricity and the work is performed under
6 the direction of a builder who is also the owner of the ~~property~~ single-family
7 residence on which the work is being ~~improved,~~ performed, the owner ~~of the~~
8 ~~property~~ shall comply with all state and local laws and ordinances for the
9 submission of names, licenses and information concerning any required bonds
10 and insurance with respect to the contractors ~~and subcontractors~~ working on
11 the work.

12 3. ~~With respect to a contract for work concerning a residential photovoltaic~~
13 ~~system used to produce electricity, the work performed pursuant to such a~~
14 ~~contract must be supervised and controlled directly by a qualified employee or~~
15 ~~qualified officer of the contractor.~~

16 ~~4.~~ If work concerning a residential photovoltaic system used to produce
17 electricity is performed under the direction of a builder who is exempt from
18 having to obtain a license as a contractor because the builder is also the owner of
19 the ~~property~~ single-family residence on which the work is being ~~improved,~~
20 performed, a person shall not, directly or indirectly, perform or offer to perform ~~for~~
21 ~~for a fee,~~ any act as a consultant, adviser, assistant or aide to the builder for the
22 purposes of the ~~work,~~ project, including, without limitation, any act associated
23 with obtaining permits for the ~~work,~~ project, or otherwise hold himself or
24 herself out as being able to perform such acts ~~, for a fee,~~ unless the person
25 holds:

26 (a) A license ~~as a contractor or subcontractor under state law~~ issued
27 pursuant to this chapter which authorizes the person to perform such acts ~~, for a~~
28 ~~fee,~~ or

29 (b) Any other license, certificate, registration or permit under state law which
30 authorizes the person to perform such acts ~~, for a fee.~~

31 **Sec. 8.** 1. A contractor who receives an initial down payment or deposit of
32 \$1,000 or 10 percent of the aggregate contract price, whichever is less, for work
33 concerning a residential photovoltaic system used to produce electricity shall start
34 the work within 30 days after the date all necessary permits for the work ~~for~~ and
35 all necessary approvals from an electric utility into whose system the residential
36 photovoltaic system used to produce electricity will interconnect, if any, are
37 issued, unless the person who made the payment agrees in writing to a longer
38 period. ~~The written agreement may specify a period for applying for all~~
39 ~~necessary permits, for starting the work after the issuance of the permits, or~~
40 ~~both.~~

41 2. A contractor who receives money for work concerning a residential
42 photovoltaic system used to produce electricity shall complete the work diligently
43 and shall not refuse to perform any work ~~during~~ agreed to in the contract for
44 any 30-day period.

45 3. Except as otherwise provided in subsection 4, if satisfactory payment is
46 made for any portion of the work performed, the contractor shall, before any
47 further payment is made, furnish to the owner of the ~~property being improved~~
48 single-family residence on which the work was performed a full and
49 unconditional release of the contractor's claim for a mechanic's lien for that
50 portion of the work for which payment has been made.

51 4. The requirements of subsection 3 do not apply if the contract for the
52 work provides for the contractor to furnish a bond for payment and performance

1 or joint control covering full performance and completion of the contract and the
2 bond or joint control is furnished by the contractor.

3 5. A contract for work concerning a residential photovoltaic system used to
4 produce electricity must contain a written statement explaining the rights of the
5 customer under sections 2 to 14, inclusive, of this act and other relevant statutes
6 ~~that~~, including, without limitation, NRS 598.9801 to 598.9822, inclusive.

7 6. A contractor may require final payment for the final stage or phase of the
8 construction of a residential photovoltaic system used to produce electricity after
9 the system is deemed complete and any required inspections are completed.

10 **Sec. 9.** 1. The Board ~~shall~~ may adopt by regulation mandatory elements
11 to be included in all contracts to be used by contractors for work concerning a
12 residential photovoltaic system used to produce electricity. Such mandatory
13 elements must not be waived or limited by contract or in any other manner. On
14 and after October 1, 2021, any contract entered into between a contractor and the
15 owner of a single-family residence for work concerning a residential photovoltaic
16 system used to produce electricity must comply with the ~~mandatory elements~~
17 provisions of sections 2 to 14, inclusive, of this act and all applicable regulations
18 adopted by the Board. A contract that does not comply with the ~~mandatory~~
19 ~~elements~~ provisions of sections 2 to 14, inclusive, of this act and all applicable
20 regulations adopted by the Board is ~~void and unenforceable against~~ voidable by
21 the owner of the single-family residence.

22 2. Any ~~such~~ contract ~~in an amount of more than \$1,000~~ for work
23 concerning a residential photovoltaic system used to produce electricity must
24 contain in writing at least the following information:

25 (a) The name of the contractor, ~~and~~ his or her ~~business~~ address and
26 contractor's license number ~~and the monetary limit on that license.~~

27 (b) The name and mailing address of the owner of the single-family
28 residence on which the work is being performed and the address or legal
29 description of the property.

30 (c) The date of execution of the contract.

31 (d) The estimated date of completion of all work to be performed under the
32 contract.

33 (e) A description of the work to be performed under the contract.

34 (f) The total amount to be paid to the contractor by the owner of the single-
35 family residence for all work to be performed under the contract, including all
36 applicable taxes.

37 (g) The amount, not to exceed \$1,000 or 10 percent of the aggregate contract
38 price, whichever is less, of any initial down payment or deposit paid or promised
39 to be paid to the contractor by the owner before the start of construction.

40 (h) A statement that the contractor has provided the owner of the single-
41 family residence with the notice and informational form required by NRS
42 624.600.

43 (i) A statement that any ~~additional~~ change in the scope or price of the work
44 to be performed under the contract ~~whether or not pursuant to a change order,~~
45 ~~which will require the owner to pay additional money and any other change in~~
46 ~~the terms in the original contract~~ must be agreed to in writing by the parties and
47 incorporated into the original contract as a change order. A change order is not
48 enforceable against the owner of the single-family residence who is contracting
49 for work concerning a residential photovoltaic system used to produce electricity
50 unless the change order ~~clearly~~ sets forth ~~the~~ all changes in the scope and
51 price of the work ~~to be completed and the price to be charged for the changes~~
52 and is ~~signed~~ accepted by the owner ~~of~~ of the single-family residence.

1 (j) ~~For~~ For a project of new work concerning a residential photovoltaic
2 system used to produce electricity, a plan and scale drawing showing the shape,
3 size and dimensions of and the specifications for the construction and equipment
4 for the work specified in the contract, and a description of the work to be done,
5 the materials to be used and the equipment to be installed, and the agreed
6 consideration for the work. For projects which consist exclusively of repairs to
7 existing work concerning a residential photovoltaic system used to produce
8 electricity, plans, scale drawings, equipment specifications and lists of materials
9 and equipment are not required to be contained in or included with the contract.

10 (k) Except as otherwise provided in this subsection ~~and~~ and subsection 3, the
11 dollar amount of any progress payment and the stage of construction at which
12 the contractor will be entitled to collect progress payments from the owner of the
13 single-family residence during the course of construction under ~~the~~ a contract
14 ~~for~~ for the installation of a residential photovoltaic system used to produce
15 electricity. The schedule of payments must show the amount of each payment as a
16 sum in dollars and cents. The schedule of payments must not provide for the
17 contractor to receive, nor may the contractor actually receive, payments in excess
18 of 100 percent of the value of the work performed on the project at any time,
19 excluding finance charges, except for an initial down payment or deposit. ~~As~~
20 ~~authorized by subsection 1 of section 8 of this act.~~ With respect to a contract
21 executed before October 1, 2021, if any schedule of payments set forth in the
22 contract does not comply with the provisions of this chapter or any regulations
23 adopted pursuant thereto:

24 (1) The obligation of the owner of the single-family residence to make
25 payments in accordance with the payment schedule ~~shall be deemed void and~~
26 ~~unenforceable.~~ is voidable; and

27 (2) The lender, if any, may not initiate proceedings to enforce the
28 payment of any applicable loan unless and until the contract is reformed or
29 otherwise amended to comply with those provisions of law.

30 ~~↪ The provisions of this paragraph do not apply if the contractor has furnished~~
31 ~~a bond for payment and performance covering full performance and completion~~
32 ~~of the contract and the cost of the bond is included in the price of the project or if~~
33 ~~the contractor builds a residential photovoltaic system used to produce electricity~~
34 ~~as part of the original building plan pursuant to which the contractor builds a~~
35 ~~single family residence on the premises.~~

36 (l) If ~~the~~ a contract with the owner of a single-family residence for the
37 installation of a residential photovoltaic system used to produce electricity
38 provides for payment of a commission to a salesperson out of the contract price, a
39 statement that the payment must be made on a pro rata basis in proportion to the
40 schedule of payments made to the contractor by the disbursing party in
41 accordance with the provisions of paragraph (k).

42 (m) A disclosure of the retail price of a kilowatt-hour, any offsetting tariff
43 and the identity of the electric utility that furnishes electric service to the single-
44 family residence at the time the contract is executed.

45 ↪ Except as otherwise provided in subsection ~~5~~ 6, the contract may contain
46 such other conditions, stipulations or provisions as to which the parties may
47 agree.

48 3. The provisions of paragraph (k) of subsection 2 do not apply if:

49 (a) The contractor has furnished a bond for payment and performance
50 covering full performance and completion of the contract and the cost of the
51 bond is included in the price of the project;

1 (b) The contractor builds a residential photovoltaic system used to produce
 2 electricity as part of the original building plan pursuant to which the contractor
 3 builds a single-family residence on the premises; or

4 (c) The owner of the single-family residence has:

5 (1) Purchased the residential photovoltaic system used to produce
 6 electricity pursuant to a power purchase agreement as defined in NRS 598.9807;
 7 or

8 (2) Leased the residential photovoltaic system used to produce electricity
 9 pursuant to a monthly lease contract.

10 4. The contract must contain:

11 (a) A method whereby the owner of the single-family residence may initial
 12 provisions of the contract, thereby indicating that those provisions have been read
 13 and are understood.

14 (b) In close proximity to the signatures of the owner of the single-family
 15 residence and the contractor, a notice stating that the owner ~~has~~ of the single-
 16 family residence:

17 (1) May contact the Board or the Public Utilities Commission of Nevada
 18 if assistance is needed to clarify any of the provisions of the contract that the
 19 owner of the single-family residence does not fully understand; ~~and~~

20 (2) Has the right to request a bond for payment and performance if such
 21 a bond is not otherwise required pursuant to NRS 624.270 ~~is~~

22 ~~4.~~ ;

23 (3) May contact an attorney for an explanation of the rights of the owner
 24 of the single-family residence under the contract; and

25 (4) May, if the contract was explained in a language other than the
 26 language in which the contract is written, ask for a contract that is written in the
 27 language in which the contract was explained.

28 5. At the time the owner of the single-family residence signs the contract,
 29 the contractor shall furnish to the owner of the single-family residence a legible
 30 copy of all documents signed and a written and signed receipt for any money paid
 31 to the contractor by the owner ~~has~~ of the single-family residence. All written
 32 information provided in the contract must be printed in at least 10-point ~~bold~~
 33 type. The contract, receipt and other documents referenced in this subsection may
 34 be delivered by electronic means.

35 ~~5.~~ 6. A condition, stipulation or provision in a contract that requires a
 36 person to waive any right provided by ~~sections 2 to 14, inclusive, of this act~~ this
 37 chapter or any regulations adopted pursuant ~~to this chapter~~ thereto or relieves a
 38 person of an obligation or liability imposed by this chapter or those ~~sections or~~
 39 regulations is void. Failure to comply with the requirements of ~~sections 2 to 14,~~
 40 ~~inclusive, of this act~~ this section renders a contract ~~void and unenforceable~~
 41 ~~against~~ voidable by the owner ~~is~~

42 ~~6.~~ of the single-family residence.

43 7. The contractor shall apply for and obtain all necessary permits ~~is~~ and
 44 approvals from an electric utility into whose system the residential photovoltaic
 45 system used to produce electricity will interconnect.

46 Sec. 10. 1. Advertisements and solicitations for work concerning a
 47 residential photovoltaic system used to produce electricity must be truthful and
 48 not materially misleading.

49 2. A person who makes an advertisement or solicitation for work
 50 concerning a residential photovoltaic system used to produce electricity shall not
 51 expressly or implicitly state that the person will perform the work, enter into a
 52 contract, express or implied, to perform the work or act as a contractor to
 53 perform the work unless the person holds:

1 (a) A license issued pursuant to this chapter which authorizes the person to
 2 perform the work; or

3 (b) Any other license, certificate, registration or permit under state law which
 4 authorizes the person to perform the work,
 5 ↳ as provided pursuant to section 6 of this act.

6 3. A contractor shall not cause to be published or display any advertisement
 7 that does not comply with the standards adopted by the Board pursuant to
 8 subsection 4.

9 4. The Board shall adopt by regulation standards for advertisements used
 10 by contractors in connection with the solicitation or sale of contracts for work
 11 concerning residential photovoltaic systems used to produce electricity.

12 ~~2. The regulations adopted pursuant to subsection 1 must prohibit a~~
 13 ~~contractor from employing "bait and switch" advertising or otherwise~~
 14 ~~intentionally publishing, displaying or circulating any advertisement which is~~
 15 ~~misleading or inaccurate in any material particular or which misrepresents any~~
 16 ~~of the goods or services sold or furnished by the contractor to members of the~~
 17 ~~public.~~

18 ~~3. The Board shall, in adopting the standards required by subsection 1, give~~
 19 ~~consideration to the provisions of chapter 508 of NRS relating to advertisements~~
 20 ~~that constitute deceptive trade practices and, to the extent practicable, adopt~~
 21 ~~standards that are at least as stringent as those provisions.~~

22 ~~4. A contractor shall not cause to be published or display or circulate any~~
 23 ~~advertisement that does not comply with the standards adopted by the Board~~
 24 ~~pursuant to subsection 1.~~

25 ~~5. As used in this section, "bait and switch" advertising has the meaning~~
 26 ~~ascribed to it in NRS 482.351.]~~

27 **Sec. 11.** ~~[1— Except as otherwise provided in this section and section 12 of~~
 28 ~~this act, a contractor who performs work concerning a residential photovoltaic~~
 29 ~~system used to produce electricity shall not act as, or carry out the duties of, an~~
 30 ~~officer, director, employee or owner of a bonding company, finance company, or~~
 31 ~~any other corporation or business entity who cosigns, underwrites, obtains a deed~~
 32 ~~of trust for, issues, sells, purchases or acquires a loan to finance work concerning~~
 33 ~~a residential photovoltaic system used to produce electricity.~~

34 ~~2. The provisions of this section do not prohibit a contractor from owning,~~
 35 ~~holding or possessing, either directly or indirectly through a mutual fund or any~~
 36 ~~other financial arrangement or investment plan, any stocks or other securities~~
 37 ~~issued by a company, corporation or business entity described in subsection 1 if:~~

38 ~~(a) The stocks or other securities are offered openly to the public through a~~
 39 ~~securities exchange; and~~

40 ~~(b) The contractor does not own, hold or possess a controlling interest in the~~
 41 ~~company, corporation or business entity.] (Deleted by amendment.)~~

42 **Sec. 12.** 1. A contract for work concerning a residential photovoltaic
 43 system used to produce electricity is not enforceable against the owner of a
 44 single-family residence on which the work is being performed if the obtaining of
 45 a loan for all or a portion of the contract price is a condition precedent to the
 46 contract unless ~~all~~ both of the following requirements are satisfied:

47 ~~(a) [A third party agrees to make the loan or give the financing.~~

48 ~~(b)] The owner of the single-family residence agrees to accept the loan or~~
 49 ~~financing.~~

50 ~~(c)] (b) The owner of the single-family residence does not rescind the loan~~
 51 ~~or financing transaction within the period prescribed for rescission pursuant to~~
 52 ~~the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., or chapter 598 of NRS, if~~
 53 ~~applicable.~~

2. Unless and until all applicable requirements of subsection 1 are satisfied, a contractor shall not:

(a) Perform or deliver any work, labor, material or services; or

(b) Represent in any manner that the contract is enforceable or that the owner of the single-family residence has any obligation under the contract.

~~3. A contract for work concerning a residential photovoltaic system used to produce electricity is not enforceable against the owner if the contractor provides a loan or gives financing for all or a portion of the contract price unless all of the following requirements are satisfied:~~

~~(a) The owner agrees to accept the loan or financing;~~

~~(b) The owner does not rescind the loan or financing transaction within the period prescribed for rescission pursuant to the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., or chapter 598 of NRS, if applicable;~~

~~4. Unless and until all applicable requirements of subsection 3 are satisfied, a contractor shall not:~~

~~(a) Perform or deliver any work, labor, material or services; or~~

~~(b) Represent in any manner that the contract is enforceable or that the owner has any obligation under the contract.~~

~~5. A contract for work concerning a residential photovoltaic system used to produce electricity is not enforceable against the owner if the contractor receives from a third party, either directly or indirectly, remuneration or any other thing of value for a loan to finance the work and that fact is not disclosed in writing in the contract.~~

~~6. As used in this section, "third party" means a bonding company, finance company, or any other corporation or business entity who cosigns, underwrites, obtains a deed of trust for, issues, sells, purchases or acquires a loan to finance work concerning a residential photovoltaic system used to produce electricity.]~~

Sec. 13. 1. If a contractor who performs work concerning a residential photovoltaic system used to produce electricity is determined by the Board to have violated:

(a) One or more of the provisions of NRS 624.301 to 624.305, inclusive, or section 6, 8 or 9 of this act; or

(b) Any regulation adopted by the Board with respect to contracts for work concerning a residential photovoltaic system used to produce electricity,
 ↳ the Board may require that the contractor obtain the services of a construction control for each contract that the contractor enters into for work concerning a residential photovoltaic system used to produce electricity.

2. The contractor may not:

(a) Be related to the construction control or to an employee or agent of the construction control; or

(b) Hold, directly or indirectly, a financial interest in the business of the construction control.

3. As used in this section, "construction control" has the meaning ascribed to it in NRS 627.050.

Sec. 14. 1. A violation of any provision of sections 2 to 14, inclusive, of this act or any regulation adopted by the Board with respect to contracts for work concerning a residential photovoltaic system used to produce electricity by a contractor ~~constitutes~~ :

(a) Constitutes cause for disciplinary action pursuant to NRS 624.300 ~~1~~ ; and

(b) May be reported to the Office of the Attorney General as a potential deceptive trade practice pursuant to chapter 598 of NRS.

1 2. *It is unlawful for a person to violate any provision of sections 2 to 14,*
2 *inclusive, of this act.*

3 3. *Any person who violates any provision of sections 2 to 14, inclusive, of*
4 *this act ~~is~~*

5 ~~— (a) For a first offense, is guilty of a misdemeanor and shall be punished by a~~
6 ~~fine of not more than \$1,000, and may be further punished by imprisonment in~~
7 ~~the county jail for not more than 6 months.~~

8 ~~— (b) For the second offense, is guilty of a gross misdemeanor and shall be~~
9 ~~punished by a fine of not less than \$2,000 nor more than \$4,000, and may be~~
10 ~~further punished by imprisonment in the county jail for not more than 364 days.~~

11 ~~— (c) For the third or subsequent offense, is guilty of a category E felony and~~
12 ~~shall be punished by a fine of not less than \$5,000 nor more than \$10,000 and~~
13 ~~may be further punished by imprisonment in the state prison for not less than 1~~
14 ~~year and not more than 4 years.], shall be penalized pursuant to the applicable~~
15 provisions of NRS 624.700 and 624.750.

16 4. *The imposition of a penalty provided for in this section is not precluded*
17 *by any disciplinary action taken by the Board against a contractor pursuant to*
18 *the provisions of NRS 624.300 to 624.305, inclusive.*

19 **Sec. 15.** NRS 624.270 is hereby amended to read as follows:

20 624.270 1. Before issuing a contractor's license to any applicant, the Board
21 shall require that the applicant:

22 (a) File with the Board a surety bond in a form acceptable to the Board
23 executed by the contractor as principal with a corporation authorized to transact
24 surety business in the State of Nevada as surety; or

25 (b) In lieu of such a bond, establish with the Board a cash deposit as provided
26 in this section.

27 2. Before granting renewal of a contractor's license to any applicant, the
28 Board shall require that the applicant file with the Board satisfactory evidence that
29 the applicant's surety bond or cash deposit is in full force, unless the applicant has
30 been relieved of the requirement as provided in this section.

31 3. Failure of an applicant or licensee to file or maintain in full force the
32 required bond or to establish the required cash deposit constitutes cause for the
33 Board to deny, revoke, suspend or refuse to renew a license.

34 4. Except as otherwise provided in subsection 6, the amount of each bond or
35 cash deposit required by this section must be fixed by the Board with reference to
36 the contractor's financial and professional responsibility and the magnitude of the
37 contractor's operations, but must be not less than \$1,000 or more than \$500,000.
38 The bond must be continuous in form and must be conditioned that the total
39 aggregate liability of the surety for all claims is limited to the face amount of the
40 bond irrespective of the number of years the bond is in force. A bond required by
41 this section must be provided by a person whose long-term debt obligations are
42 rated "A" or better by a nationally recognized rating agency. The Board may
43 increase or reduce the amount of any bond or cash deposit if evidence supporting
44 such a change in the amount is presented to the Board at the time application is
45 made for renewal of a license or at any hearing conducted pursuant to NRS
46 624.2545 or 624.291. Unless released earlier pursuant to subsection 5, any cash
47 deposit may be withdrawn 2 years after termination of the license in connection
48 with which it was established, or 2 years after completion of all work authorized by
49 the Board after termination of the license, whichever occurs later, if there is no
50 outstanding claim against it.

51 5. After a licensee has acted in the capacity of a licensed contractor in the
52 State of Nevada for not less than 5 consecutive years, the Board may relieve the
53 licensee of the requirement of filing a bond or establishing a cash deposit if

1 evidence supporting such relief is presented to the Board. The Board may at any
2 time thereafter require the licensee to file a new bond or establish a new cash
3 deposit as provided in subsection 4:

4 (a) If evidence is presented to the Board supporting this requirement;

5 (b) Pursuant to subsection 6, after notification of a final written decision by the
6 Labor Commissioner; or

7 (c) Pursuant to subsection 7.

8 ➤ If a licensee is relieved of the requirement of establishing a cash deposit, the
9 deposit may be withdrawn 2 years after such relief is granted, if there is no
10 outstanding claim against it.

11 6. If the Board is notified by the Labor Commissioner pursuant to NRS
12 607.165 or otherwise receives notification that three substantiated claims for wages
13 have been filed against a contractor within a 2-year period, the Board shall require
14 the contractor to file a bond or establish a cash deposit in an amount fixed by the
15 Board. The contractor shall maintain the bond or cash deposit for the period
16 required by the Board.

17 7. If a contractor who performs work concerning a residential pool or spa ~~is~~
18 ***or work concerning a residential photovoltaic system used to produce electricity:***

19 (a) Is determined by the Board to have violated one or more of the provisions
20 of NRS 624.301 to 624.305, inclusive;

21 (b) Enters into a contract ~~on or after July 1, 2001,~~ that is later found to be
22 void and unenforceable against the owner pursuant to subsection 5 of NRS 624.940
23 or pursuant to any regulation adopted by the Board with respect to contracts for
24 work concerning a residential pool or spa;

25 ***(c) Enters into a contract on or after October 1, 2021, that is later ~~found to~~***
26 ***~~be void and unenforceable against~~ voided by the owner of the single-family***
27 ***residence pursuant to subsection ~~5~~ 6 of section 9 of this act or pursuant to any***
28 ***regulation adopted by the Board with respect to contracts for work concerning a***
29 ***residential photovoltaic system used to produce electricity; or***

30 ~~(c)~~ (d) Has five valid complaints filed against him or her with the Board
31 within any 15-day period,

32 ➤ the Board may require the contractor to comply with the provisions of subsection
33 8.

34 8. If the Board requires a contractor described in subsection 7 to comply with
35 the provisions of this subsection, the contractor shall, before commencing work
36 concerning a residential pool or spa ~~is~~ ***or work concerning a residential***
37 ***photovoltaic system used to produce electricity,*** obtain:

38 (a) Except as otherwise provided in this subsection, a performance bond in an
39 amount equal to not less than 50 percent of the amount of the contract, conditioned
40 upon the faithful performance of the contract in accordance with the plans,
41 specifications and conditions set forth in the contract. The performance bond must
42 be solely for the protection of the owner of the property to be improved.

43 (b) Except as otherwise provided in this subsection, a payment bond in an
44 amount equal to not less than 50 percent of the amount of the contract. The
45 payment bond must be solely for the protection of persons supplying labor or
46 materials to the contractor, or to any of his or her subcontractors, in carrying out the
47 provisions of the contract.

48 ➤ A bond required pursuant to this subsection must be provided by a person whose
49 long-term debt obligations are rated "A" or better by a nationally recognized rating
50 agency. The contractor shall maintain the bond for the period required by the
51 Board. The contractor shall furnish to the building department of the city or county,
52 as applicable, in which the work will be carried out, a copy of any bond. In lieu of a

1 performance or payment bond, the contractor may obtain an equivalent form of
2 security approved by the Board.

3 9. As used in this section, “substantiated claim for wages” has the meaning
4 ascribed to it in NRS 607.165.

5 **Sec. 16.** NRS 624.3016 is hereby amended to read as follows:

6 624.3016 The following acts or omissions, among others, constitute cause for
7 disciplinary action under NRS 624.300:

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

10 2. A conviction of a violation of NRS 624.730, or a conviction in this State or
11 any other jurisdiction of a felony relating to the practice of a contractor or a crime
12 involving moral turpitude.

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

15 4. Failure to give a notice required by NRS 108.227, 108.245, 108.246 or
16 624.520.

17 5. Failure to comply with NRS 624.920, 624.930, 624.935 or 624.940 or any
18 regulations of the Board governing contracts for work concerning residential pools
19 and spas.

20 6. Failure to comply with NRS 624.600.

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

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

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

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

28 11. Failure to notify the Board of a conviction or entry of a plea of guilty,
29 guilty but mentally ill or nolo contendere pursuant to NRS 624.266.

30 12. Failure to provide a builder’s warranty as required by NRS 624.602 or to
31 respond reasonably to a claim made under a builder’s warranty.

32 **13. Failure to comply with sections 6 to 9, inclusive, of this act or any**
33 **regulations of the Board governing contracts for work concerning residential**
34 **photovoltaic systems used to produce electricity.**

35 **Sec. 17.** NRS 627.175 is hereby amended to read as follows:

36 627.175 1. Except as otherwise provided in subsection 2, the following shall
37 not be a construction control or subject to the provisions of this chapter:

38 (a) A contractor licensed under the laws of the State of Nevada, paying a
39 subcontractor, supplier of material, laborer or other person for bills incurred in the
40 construction, repair, alteration or improvement of any premises.

41 (b) A subcontractor licensed to do business under the laws of the State of
42 Nevada, paying a subcontractor, supplier of material, laborer or other person for
43 bills incurred in the construction, repair, alteration or improvement of any premises.

44 (c) An owner-contractor paying a contractor, subcontractor, supplier of
45 material, laborer or other person for bills incurred in the construction, repair,
46 alteration or improvement of any premises.

47 (d) A lender of construction loan money, provided that the lender disburses the
48 money directly to a contractor authorized by the borrower to do the work, or
49 disburses the money directly to the owner of the premises.

50 (e) A lender of construction loan money, to an owner of a residential property
51 or to an owner of not more than four units if the loan is made to repair or improve
52 such property and the construction costs are \$10,000 or less, or 35 percent of the
53 appraised value of the improvements and repairs, whichever is greater.

1 2. The provisions of this chapter apply to a contractor who is required to
2 obtain the services of a construction control pursuant to the provisions of NRS
3 624.264, 624.323 or 624.960 ~~§~~ *or section 13 of this act.*