
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 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 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)
2 **Sections 3-5** of this bill define the terms "contract," "contractor" and "work
3 concerning a residential photovoltaic system used to produce electricity" for the
4 purposes of certain provisions governing work concerning such systems and the
5 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
8 license or other authorization under state law.

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

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

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

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

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

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

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

35 **Section 14** of this bill provides that a violation of any provision of **sections 2-**
36 **14** of this bill constitutes cause for disciplinary action against a contractor by the
37 Board and sets forth criminal penalties for certain violations.

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

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

52 Existing law sets forth the applicability of certain provisions governing
53 construction controls. (NRS 627.175) **Section 17** of this bill provides that those
54 provisions apply to a contractor who is required to obtain the services of a



55 construction control to perform work concerning residential photovoltaic systems
56 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
2 thereto the provisions set forth as sections 2 to 14, inclusive, of this
3 act.

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

8 **Sec. 3.** *“Contract” means any contract or agreement in*
9 *which a contractor agrees to perform work concerning a*
10 *residential photovoltaic system used to produce electricity.*

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

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

17 *(a) The construction, repair, maintenance, restoration,*
18 *alteration or improvement of any residential photovoltaic system*
19 *used to produce electricity, including, without limitation, the*
20 *repair or replacement of existing equipment or the installation of*
21 *new equipment, as necessary; or*

22 *(b) Any consultation or supervision concerning such work.*

23 **2.** *The scope of such work includes the installation, alteration*
24 *and repair of photovoltaic cells, batteries and inverters used in the*
25 *conversion of solar energy into electricity.*

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

32 **1.** *A license as a contractor or subcontractor under state law*
33 *which authorizes the person to perform such acts for a fee; or*

34 **2.** *Any other license, certificate, registration or permit under*
35 *state law which authorizes the person to perform such acts for a*
36 *fee.*

37 **Sec. 7. 1.** *Any contractor or subcontractor who performs*
38 *work concerning a residential photovoltaic system used to produce*
39 *electricity shall, regardless of whether the work is performed*



1 *under the direction of a builder who is also the owner of the*
2 *property being improved:*

3 *(a) Apply for and obtain all applicable permits for the work;*
4 *and*

5 *(b) Meet all applicable requirements imposed pursuant to this*
6 *chapter and any regulations adopted by the Board with respect to*
7 *contracts for work concerning a residential photovoltaic system*
8 *used to produce electricity.*

9 *2. If a contractor or subcontractor performs work concerning*
10 *a residential photovoltaic system used to produce electricity and*
11 *the work is performed under the direction of a builder who is also*
12 *the owner of the property being improved, the owner of the*
13 *property shall comply with all state and local laws and ordinances*
14 *for the submission of names, licenses and information concerning*
15 *any required bonds and insurance with respect to the contractors*
16 *and subcontractors working on the work.*

17 *3. With respect to a contract for work concerning a*
18 *residential photovoltaic system used to produce electricity, the*
19 *work performed pursuant to such a contract must be supervised*
20 *and controlled directly by a qualified employee or qualified officer*
21 *of the contractor.*

22 *4. If work concerning a residential photovoltaic system used*
23 *to produce electricity is performed under the direction of a builder*
24 *who is exempt from having to obtain a license as a contractor*
25 *because the builder is also the owner of the property being*
26 *improved, a person shall not, directly or indirectly, perform or*
27 *offer to perform, for a fee, any act as a consultant, adviser,*
28 *assistant or aide to the builder for the purposes of the work,*
29 *including, without limitation, any act associated with obtaining*
30 *permits for the work, or otherwise hold himself or herself out as*
31 *being able to perform such acts for a fee, unless the person holds:*

32 *(a) A license as a contractor or subcontractor under state law*
33 *which authorizes the person to perform such acts for a fee; or*

34 *(b) Any other license, certificate, registration or permit under*
35 *state law which authorizes the person to perform such acts for a*
36 *fee.*

37 **Sec. 8. 1.** *A contractor who receives an initial down*
38 *payment or deposit of \$1,000 or 10 percent of the aggregate*
39 *contract price, whichever is less, for work concerning a residential*
40 *photovoltaic system used to produce electricity shall start the work*
41 *within 30 days after the date all necessary permits for the work, if*
42 *any, are issued, unless the person who made the payment agrees*
43 *in writing to a longer period. The written agreement may specify a*
44 *period for applying for all necessary permits, for starting the work*
45 *after the issuance of the permits, or both.*



1 2. A contractor who receives money for work concerning a
2 residential photovoltaic system used to produce electricity shall
3 complete the work diligently and shall not refuse to perform any
4 work during any 30-day period.

5 3. Except as otherwise provided in subsection 4, if
6 satisfactory payment is made for any portion of the work
7 performed, the contractor shall, before any further payment is
8 made, furnish to the owner of the property being improved a full
9 and unconditional release of the contractor's claim for a
10 mechanic's lien for that portion of the work for which payment
11 has been made.

12 4. The requirements of subsection 3 do not apply if the
13 contract for the work provides for the contractor to furnish a bond
14 for payment and performance or joint control covering full
15 performance and completion of the contract and the bond or joint
16 control is furnished by the contractor.

17 5. A contract for work concerning a residential photovoltaic
18 system used to produce electricity must contain a written statement
19 explaining the rights of the customer under sections 2 to 14,
20 inclusive, of this act and other relevant statutes.

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

25 **Sec. 9. 1.** The Board shall adopt by regulation mandatory
26 elements to be included in all contracts to be used by contractors
27 for work concerning a residential photovoltaic system used to
28 produce electricity. Such mandatory elements must not be waived
29 or limited by contract or in any other manner. On and after
30 October 1, 2021, any contract entered into between a contractor
31 and the owner of a single-family residence for work concerning a
32 residential photovoltaic system used to produce electricity must
33 comply with the mandatory elements adopted by the Board. A
34 contract that does not comply with the mandatory elements
35 adopted by the Board is void and unenforceable against the owner
36 of the single-family residence.

37 2. Any such contract in an amount of more than \$1,000 must
38 contain in writing at least the following information:

39 (a) The name of the contractor and his or her business address
40 and contractor's license number.

41 (b) The name and mailing address of the owner and the
42 address or legal description of the property.

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

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



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

3 (f) The total amount to be paid to the contractor by the owner
4 for all work to be performed under the contract, including all
5 applicable taxes.

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

10 (h) A statement that the contractor has provided the owner
11 with the notice and informational form required by NRS 624.600.

12 (i) A statement that any additional work to be performed under
13 the contract, whether or not pursuant to a change order, which
14 will require the owner to pay additional money and any other
15 change in the terms in the original contract must be agreed to in
16 writing by the parties and incorporated into the original contract
17 as a change order. A change order is not enforceable against the
18 owner contracting for work concerning a residential photovoltaic
19 system used to produce electricity unless the change order clearly
20 sets forth the scope of work to be completed and the price to be
21 charged for the changes and is signed by the owner.

22 (j) A plan and scale drawing showing the shape, size and
23 dimensions of and the specifications for the construction and
24 equipment for the work specified in the contract, and a description
25 of the work to be done, the materials to be used and the equipment
26 to be installed, and the agreed consideration for the work.

27 (k) Except as otherwise provided in this subsection, the dollar
28 amount of any progress payment and the stage of construction at
29 which the contractor will be entitled to collect progress payments
30 during the course of construction under the contract. The
31 schedule of payments must show the amount of each payment as a
32 sum in dollars and cents. The schedule of payments must not
33 provide for the contractor to receive, nor may the contractor
34 actually receive, payments in excess of 100 percent of the value of
35 the work performed on the project at any time, excluding finance
36 charges, except for an initial down payment or deposit as
37 authorized by subsection 1 of section 8 of this act. With respect to
38 a contract executed before October 1, 2021, if any schedule of
39 payments set forth in the contract does not comply with the
40 provisions of this chapter or any regulations adopted pursuant
41 thereto:

42 (1) The obligation of the owner to make payments in
43 accordance with the payment schedule shall be deemed void and
44 unenforceable; and



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

5 *↳ The provisions of this paragraph do not apply if the contractor*
6 *has furnished a bond for payment and performance covering full*
7 *performance and completion of the contract and the cost of the*
8 *bond is included in the price of the project or if the contractor*
9 *builds a residential photovoltaic system used to produce electricity*
10 *as part of the original building plan pursuant to which the*
11 *contractor builds a single-family residence on the premises.*

12 (l) *If the contract provides for payment of a commission to a*
13 *salesperson out of the contract price, a statement that the payment*
14 *must be made on a pro rata basis in proportion to the schedule of*
15 *payments made to the contractor by the disbursing party in*
16 *accordance with the provisions of paragraph (k).*

17 *↳ Except as otherwise provided in subsection 5, the contract may*
18 *contain such other conditions, stipulations or provisions as to*
19 *which the parties may agree.*

20 **3. The contract must contain:**

21 (a) *A method whereby the owner may initial provisions of the*
22 *contract, thereby indicating that those provisions have been read*
23 *and are understood.*

24 (b) *In close proximity to the signatures of the owner and the*
25 *contractor, a notice stating that the owner:*

26 (1) *May contact the Board if assistance is needed to clarify*
27 *any of the provisions of the contract that the owner does not fully*
28 *understand; and*

29 (2) *Has the right to request a bond for payment and*
30 *performance if such a bond is not otherwise required pursuant to*
31 *NRS 624.270.*

32 **4. At the time the owner signs the contract, the contractor**
33 *shall furnish to the owner a legible copy of all documents signed*
34 *and a written and signed receipt for any money paid to the*
35 *contractor by the owner. All written information provided in the*
36 *contract must be printed in at least 10-point bold type.*

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

44 **6. The contractor shall apply for and obtain all necessary**
45 *permits.*



1 **Sec. 10. 1.** *The Board shall adopt by regulation standards*
2 *for advertisements used by contractors in connection with the*
3 *solicitation or sale of contracts for work concerning residential*
4 *photovoltaic systems used to produce electricity.*

5 2. *The regulations adopted pursuant to subsection 1 must*
6 *prohibit a contractor from employing "bait and switch"*
7 *advertising or otherwise intentionally publishing, displaying or*
8 *circulating any advertisement which is misleading or inaccurate in*
9 *any material particular or which misrepresents any of the goods or*
10 *services sold or furnished by the contractor to members of the*
11 *public.*

12 3. *The Board shall, in adopting the standards required by*
13 *subsection 1, give consideration to the provisions of chapter 598 of*
14 *NRS relating to advertisements that constitute deceptive trade*
15 *practices and, to the extent practicable, adopt standards that are at*
16 *least as stringent as those provisions.*

17 4. *A contractor shall not cause to be published or display or*
18 *circulate any advertisement that does not comply with the*
19 *standards adopted by the Board pursuant to subsection 1.*

20 5. *As used in this section, "bait and switch" advertising has*
21 *the meaning ascribed to it in NRS 482.351.*

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

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

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

39 (b) *The contractor does not own, hold or possess a controlling*
40 *interest in the company, corporation or business entity.*

41 **Sec. 12. 1.** *A contract for work concerning a residential*
42 *photovoltaic system used to produce electricity is not enforceable*
43 *against the owner if the obtaining of a loan for all or a portion of*
44 *the contract price is a condition precedent to the contract unless*
45 *all of the following requirements are satisfied:*



1 (a) A third party agrees to make the loan or give the financing.
2 (b) The owner agrees to accept the loan or financing.
3 (c) The owner does not rescind the loan or financing
4 transaction within the period prescribed for rescission pursuant to
5 the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., or chapter
6 598 of NRS, if applicable.

7 2. Unless and until all applicable requirements of subsection
8 1 are satisfied, a contractor shall not:

9 (a) Perform or deliver any work, labor, material or services; or
10 (b) Represent in any manner that the contract is enforceable
11 or that the owner has any obligation under the contract.

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

17 (a) The owner agrees to accept the loan or financing.
18 (b) The owner does not rescind the loan or financing
19 transaction within the period prescribed for rescission pursuant to
20 the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., or chapter
21 598 of NRS, if applicable.

22 4. Unless and until all applicable requirements of subsection
23 3 are satisfied, a contractor shall not:

24 (a) Perform or deliver any work, labor, material or services; or
25 (b) Represent in any manner that the contract is enforceable
26 or that the owner has any obligation under the contract.

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

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

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

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

43 (b) Any regulation adopted by the Board with respect to
44 contracts for work concerning a residential photovoltaic system
45 used to produce electricity,



1 ↪ *the Board may require that the contractor obtain the services of*
2 *a construction control for each contract that the contractor enters*
3 *into for work concerning a residential photovoltaic system used to*
4 *produce electricity.*

5 2. *The contractor may not:*

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

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

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

12 **Sec. 14.** 1. *A violation of any provision of sections 2 to 14,*
13 *inclusive, of this act or any regulation adopted by the Board with*
14 *respect to contracts for work concerning a residential photovoltaic*
15 *system used to produce electricity by a contractor constitutes cause*
16 *for disciplinary action pursuant to NRS 624.300.*

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

19 3. *Any person who violates any provision of sections 2 to 14,*
20 *inclusive, of this act:*

21 (a) *For a first offense, is guilty of a misdemeanor and shall be*
22 *punished by a fine of not more than \$1,000, and may be further*
23 *punished by imprisonment in the county jail for not more than 6*
24 *months.*

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

29 (c) *For the third or subsequent offense, is guilty of a category*
30 *E felony and shall be punished by a fine of not less than \$5,000*
31 *nor more than \$10,000 and may be further punished by*
32 *imprisonment in the state prison for not less than 1 year and not*
33 *more than 4 years.*

34 4. *The imposition of a penalty provided for in this section is*
35 *not precluded by any disciplinary action taken by the Board*
36 *against a contractor pursuant to the provisions of NRS 624.300 to*
37 *624.305, inclusive.*

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

39 624.270 1. Before issuing a contractor's license to any
40 applicant, the Board shall require that the applicant:

41 (a) File with the Board a surety bond in a form acceptable to the
42 Board executed by the contractor as principal with a corporation
43 authorized to transact surety business in the State of Nevada as
44 surety; or



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

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

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

12 4. Except as otherwise provided in subsection 6, the amount of
13 each bond or cash deposit required by this section must be fixed by
14 the Board with reference to the contractor's financial and
15 professional responsibility and the magnitude of the contractor's
16 operations, but must be not less than \$1,000 or more than \$500,000.
17 The bond must be continuous in form and must be conditioned that
18 the total aggregate liability of the surety for all claims is limited to
19 the face amount of the bond irrespective of the number of years the
20 bond is in force. A bond required by this section must be provided
21 by a person whose long-term debt obligations are rated "A" or better
22 by a nationally recognized rating agency. The Board may increase
23 or reduce the amount of any bond or cash deposit if evidence
24 supporting such a change in the amount is presented to the Board at
25 the time application is made for renewal of a license or at any
26 hearing conducted pursuant to NRS 624.2545 or 624.291. Unless
27 released earlier pursuant to subsection 5, any cash deposit may be
28 withdrawn 2 years after termination of the license in connection
29 with which it was established, or 2 years after completion of all
30 work authorized by the Board after termination of the license,
31 whichever occurs later, if there is no outstanding claim against it.

32 5. After a licensee has acted in the capacity of a licensed
33 contractor in the State of Nevada for not less than 5 consecutive
34 years, the Board may relieve the licensee of the requirement of
35 filing a bond or establishing a cash deposit if evidence supporting
36 such relief is presented to the Board. The Board may at any time
37 thereafter require the licensee to file a new bond or establish a new
38 cash deposit as provided in subsection 4:

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

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

43 (c) Pursuant to subsection 7.



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

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

11 7. If a contractor who performs work concerning a residential
12 pool or spa ~~{}~~ *or work concerning a residential photovoltaic*
13 *system used to produce electricity:*

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

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

21 (c) *Enters into a contract on or after October 1, 2021, that is*
22 *later found to be void and unenforceable against the owner*
23 *pursuant to subsection 5 of section 9 of this act or pursuant to any*
24 *regulation adopted by the Board with respect to contracts for work*
25 *concerning a residential photovoltaic system used to produce*
26 *electricity; or*

27 ~~{(e)}~~ (d) Has five valid complaints filed against him or her with
28 the Board within any 15-day period,

29 ➔ the Board may require the contractor to comply with the
30 provisions of subsection 8.

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

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

43 (b) Except as otherwise provided in this subsection, a payment
44 bond in an amount equal to not less than 50 percent of the amount of
45 the contract. The payment bond must be solely for the protection of



1 persons supplying labor or materials to the contractor, or to any of
2 his or her subcontractors, in carrying out the provisions of the
3 contract.

4 ↪ A bond required pursuant to this subsection must be provided by
5 a person whose long-term debt obligations are rated "A" or better by
6 a nationally recognized rating agency. The contractor shall maintain
7 the bond for the period required by the Board. The contractor shall
8 furnish to the building department of the city or county, as
9 applicable, in which the work will be carried out, a copy of any
10 bond. In lieu of a performance or payment bond, the contractor may
11 obtain an equivalent form of security approved by the Board.

12 9. As used in this section, "substantiated claim for wages" has
13 the meaning ascribed to it in NRS 607.165.

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

15 624.3016 The following acts or omissions, among others,
16 constitute cause for disciplinary action under NRS 624.300:

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

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

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

26 4. Failure to give a notice required by NRS 108.227, 108.245,
27 108.246 or 624.520.

28 5. Failure to comply with NRS 624.920, 624.930, 624.935 or
29 624.940 or any regulations of the Board governing contracts for
30 work concerning residential pools and spas.

31 6. Failure to comply with NRS 624.600.

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

35 8. Failure to pay an assessment required pursuant to
36 NRS 624.470.

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

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

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



1 12. Failure to provide a builder's warranty as required by NRS
2 624.602 or to respond reasonably to a claim made under a builder's
3 warranty.

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

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

9 627.175 1. Except as otherwise provided in subsection 2, the
10 following shall not be a construction control or subject to the
11 provisions of this chapter:

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

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

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

23 (d) A lender of construction loan money, provided that the
24 lender disburses the money directly to a contractor authorized by
25 the borrower to do the work, or disburses the money directly to the
26 owner of the premises.

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

32 2. The provisions of this chapter apply to a contractor who is
33 required to obtain the services of a construction control pursuant to
34 the provisions of NRS 624.264, 624.323 or 624.960 **or section 13**
35 **of this act.**

