

SENATE BILL NO. 303—SENATORS BROOKS AND SPEARMAN

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 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; 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 penalties against a contractor who performs work concerning residential photovoltaic systems for certain violations; 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,” “electric utility,”
- 3 “residential photovoltaic system” and “work concerning a residential photovoltaic
- 4 system used to produce electricity” for the purposes of certain provisions governing



5 work concerning such systems and the licensees of the State Contractors' Board
6 who perform that work.

7 **Section 6** of this bill prohibits a person from performing any work on
8 residential photovoltaic systems used to produce electricity without the proper
9 license or other authorization under state law.

10 **Section 7** of this bill sets forth the requirements for: (1) all work concerning
11 residential photovoltaic systems used to produce electricity; (2) the contractors who
12 perform the work; and (3) the owner-builders who direct the 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** of this bill: (1) authorizes the State Contractors' Board to adopt
16 regulations establishing certain provisions which must be included in a contract for
17 work concerning a residential photovoltaic system used to produce electricity; and
18 (2) requires the contractor for such work to apply for and obtain all necessary
19 permits and approvals.

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

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

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

33 **Section 14** of this bill provides that a violation of any provision of **sections 2-**
34 **14** of this bill constitutes cause for disciplinary action against a contractor by the
35 Board and may be reported to the Office of the Attorney General as a potential
36 deceptive trade practice.

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

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

54 Existing law sets forth the applicability of certain provisions governing
55 construction controls. (NRS 627.175) **Section 17** of this bill provides that those
56 provisions apply to a contractor who is required to obtain the services of a
57 construction control to perform work concerning residential photovoltaic systems
58 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 to 5, inclusive, of this act have the meanings ascribed*
7 *to them in those sections.*

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

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

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

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

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

23 (a) *The construction, repair, maintenance, restoration,*
24 *alteration or improvement of any photovoltaic system used to*
25 *produce or store electricity on the customer’s side of an electric*
26 *meter on a single-family residence, including, without limitation,*
27 *the repair or replacement of existing equipment or the installation*
28 *of new equipment, as necessary; or*

29 (b) *Any activity for the supervision concerning such work.*

30 2. *The scope of such work includes the installation, alteration*
31 *and repair of photovoltaic cells, batteries, inverters and storage*
32 *systems used in the conversion of solar energy into electricity and*
33 *the storage of that electricity on the customer’s side of an electric*
34 *meter on a single-family residence.*

35 3. *The term does not include:*

36 (a) *Education regarding solar photovoltaics;*

37 (b) *Energy audits; or*

38 (c) *The advertising or solicitation of such work.*

39 **Sec. 6.** *A person shall not, directly or indirectly, perform or*
40 *offer to perform any work concerning a residential photovoltaic*
41 *system used to produce electricity unless the person holds:*



1 *1. A license issued pursuant to this chapter which authorizes*
2 *the person to perform such work; or*

3 *2. Any other license, certificate, registration or permit under*
4 *state law which authorizes the person to perform such work.*

5 **Sec. 7. 1.** *Any contractor who performs work concerning a*
6 *residential photovoltaic system used to produce electricity shall,*
7 *regardless of whether the work is performed under the direction of*
8 *a builder who is also the owner of the single-family residence on*
9 *which the work is being performed:*

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

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

15 *(c) Meet all applicable requirements imposed by the Public*
16 *Utilities Commission of Nevada or any system for the distribution*
17 *of electricity to which the work will interconnect.*

18 *2. If a contractor performs work concerning a residential*
19 *photovoltaic system used to produce electricity and the work is*
20 *performed under the direction of a builder who is also the owner*
21 *of the single-family residence on which the work is being*
22 *performed, the owner shall comply with all state and local laws*
23 *and ordinances for the submission of names, licenses and*
24 *information concerning any required bonds and insurance with*
25 *respect to the contractors working on the work.*

26 *3. If work concerning a residential photovoltaic system used*
27 *to produce electricity is performed under the direction of a builder*
28 *who is exempt from having to obtain a license as a contractor*
29 *because the builder is also the owner of the single-family*
30 *residence on which the work is being performed, a person shall*
31 *not, directly or indirectly, perform or offer to perform any act as a*
32 *consultant, adviser, assistant or aide to the builder for the*
33 *purposes of the project, including, without limitation, any act*
34 *associated with obtaining permits for the project, or otherwise hold*
35 *himself or herself out as being able to perform such acts, unless*
36 *the person holds:*

37 *(a) A license issued pursuant to this chapter which authorizes*
38 *the person to perform such acts; or*

39 *(b) Any other license, certificate, registration or permit under*
40 *state law which authorizes the person to perform such acts.*

41 **Sec. 8. 1.** *A contractor who receives an initial down*
42 *payment or deposit of \$1,000 or 10 percent of the aggregate*
43 *contract price, whichever is less, for work concerning a residential*
44 *photovoltaic system used to produce electricity shall start the work*
45 *within 30 days after the date all necessary permits for the work*



1 *and all necessary approvals from an electric utility into whose*
2 *system the residential photovoltaic system used to produce*
3 *electricity will interconnect, if any, are issued, unless the person*
4 *who made the payment agrees in writing to a longer period.*

5 2. *A contractor who receives money for work concerning a*
6 *residential photovoltaic system used to produce electricity shall*
7 *complete the work diligently and shall not refuse to perform any*
8 *work agreed to in the contract for any 30-day period.*

9 3. *Except as otherwise provided in subsection 4, if*
10 *satisfactory payment is made for any portion of the work*
11 *performed, the contractor shall, before any further payment is*
12 *made, furnish to the owner of the single-family residence on*
13 *which the work was performed a full and unconditional release of*
14 *the contractor's claim for a mechanic's lien for that portion of the*
15 *work for which payment has been made.*

16 4. *The requirements of subsection 3 do not apply if the*
17 *contract for the work provides for the contractor to furnish a bond*
18 *for payment and performance or joint control covering full*
19 *performance and completion of the contract and the bond or joint*
20 *control is furnished by the contractor.*

21 5. *A contract for work concerning a residential photovoltaic*
22 *system used to produce electricity must contain a written statement*
23 *explaining the rights of the customer under sections 2 to 14,*
24 *inclusive, of this act and other relevant statutes, including, without*
25 *limitation, NRS 598.9801 to 598.9822, inclusive.*

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

30 **Sec. 9. 1.** *The Board may adopt by regulation mandatory*
31 *elements to be included in all contracts to be used by contractors*
32 *for work concerning a residential photovoltaic system used to*
33 *produce electricity. Such mandatory elements must not be waived*
34 *or limited by contract or in any other manner. On and after*
35 *October 1, 2021, any contract entered into between a contractor*
36 *and the owner of a single-family residence for work concerning a*
37 *residential photovoltaic system used to produce electricity must*
38 *comply with the provisions of sections 2 to 14, inclusive, of this act*
39 *and all applicable regulations adopted by the Board. A contract*
40 *that does not comply with the provisions of sections 2 to 14,*
41 *inclusive, of this act and all applicable regulations adopted by the*
42 *Board is voidable by the owner of the single-family residence.*

43 2. *Any contract for work concerning a residential*
44 *photovoltaic system used to produce electricity must contain in*
45 *writing at least the following information:*



1 (a) *The name of the contractor, his or her address and*
2 *contractor's license number and the monetary limit on that*
3 *license.*

4 (b) *The name and mailing address of the owner of the single-*
5 *family residence on which the work is being performed and the*
6 *address or legal description of the property.*

7 (c) *The date of execution of the contract.*

8 (d) *The estimated date of completion of all work to be*
9 *performed under the contract.*

10 (e) *A description of the work to be performed under the*
11 *contract.*

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

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

19 (h) *A statement that the contractor has provided the owner of*
20 *the single-family residence with the notice and informational form*
21 *required by NRS 624.600.*

22 (i) *A statement that any change in the scope or price of the*
23 *work to be performed under the contract must be agreed to in*
24 *writing by the parties and incorporated into the original contract*
25 *as a change order. A change order is not enforceable against the*
26 *owner of the single-family residence who is contracting for work*
27 *concerning a residential photovoltaic system used to produce*
28 *electricity unless the change order sets forth all changes in the*
29 *scope and price of the work and is accepted by the owner of the*
30 *single-family residence.*

31 (j) *For a project of new work concerning a residential*
32 *photovoltaic system used to produce electricity, a plan and scale*
33 *drawing showing the shape, size and dimensions of and the*
34 *specifications for the construction and equipment for the work*
35 *specified in the contract, and a description of the work to be done,*
36 *the materials to be used and the equipment to be installed, and the*
37 *agreed consideration for the work. For projects which consist*
38 *exclusively of repairs to existing work concerning a residential*
39 *photovoltaic system used to produce electricity, plans, scale*
40 *drawings, equipment specifications and lists of materials and*
41 *equipment are not required to be contained in or included with the*
42 *contract.*

43 (k) *Except as otherwise provided in this subsection and*
44 *subsection 3, the dollar amount of any progress payment and the*
45 *stage of construction at which the contractor will be entitled to*



1 collect progress payments from the owner of the single-family
2 residence during the course of construction under a contract for
3 the installation of a residential photovoltaic system used to
4 produce electricity. The schedule of payments must show the
5 amount of each payment as a sum in dollars and cents. The
6 schedule of payments must not provide for the contractor to
7 receive, nor may the contractor actually receive, payments in
8 excess of 100 percent of the value of the work performed on the
9 project at any time, excluding finance charges, except for an
10 initial down payment or deposit. With respect to a contract
11 executed before October 1, 2021, if any schedule of payments set
12 forth in the contract does not comply with the provisions of this
13 chapter or any regulations adopted pursuant thereto:

14 (1) The obligation of the owner of the single-family
15 residence to make payments in accordance with the payment
16 schedule is voidable; and

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

21 (l) If a contract with the owner of a single-family residence for
22 the installation of a residential photovoltaic system used to
23 produce electricity provides for payment of a commission to a
24 salesperson out of the contract price, a statement that the payment
25 must be made on a pro rata basis in proportion to the schedule of
26 payments made to the contractor by the disbursing party in
27 accordance with the provisions of paragraph (k).

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

32 ↪ Except as otherwise provided in subsection 6, the contract may
33 contain such other conditions, stipulations or provisions as to
34 which the parties may agree.

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

37 (a) The contractor has furnished a bond for payment and
38 performance covering full performance and completion of the
39 contract and the cost of the bond is included in the price of the
40 project;

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

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



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

4 (2) *Leased the residential photovoltaic system used to*
5 *produce electricity pursuant to a monthly lease contract.*

6 4. *The contract must contain:*

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

10 (b) *In close proximity to the signatures of the owner of the*
11 *single-family residence and the contractor, a notice stating that*
12 *the owner of the single-family residence:*

13 (1) *May contact the Board or the Public Utilities*
14 *Commission of Nevada if assistance is needed to clarify any of the*
15 *provisions of the contract that the owner of the single-family*
16 *residence does not fully understand;*

17 (2) *Has the right to request a bond for payment and*
18 *performance if such a bond is not otherwise required pursuant to*
19 *NRS 624.270;*

20 (3) *May contact an attorney for an explanation of the rights*
21 *of the owner of the single-family residence under the contract;*
22 *and*

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

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

35 6. *A condition, stipulation or provision in a contract that*
36 *requires a person to waive any right provided by this chapter or*
37 *any regulations adopted pursuant thereto or relieves a person of*
38 *an obligation or liability imposed by this chapter or those*
39 *regulations is void. Failure to comply with the requirements of this*
40 *section renders a contract voidable by the owner of the single-*
41 *family residence.*

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



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

4 **2.** *A person who makes an advertisement or solicitation for*
5 *work concerning a residential photovoltaic system used to produce*
6 *electricity shall not expressly or implicitly state that the person will*
7 *perform the work, enter into a contract, express or implied, to*
8 *perform the work or act as a contractor to perform the work unless*
9 *the person holds:*

10 **(a)** *A license issued pursuant to this chapter which authorizes*
11 *the person to perform the work; or*

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

15 **3.** *A contractor shall not cause to be published or display any*
16 *advertisement that does not comply with the standards adopted by*
17 *the Board pursuant to subsection 4.*

18 **4.** *The Board shall adopt by regulation standards for*
19 *advertisements used by contractors in connection with the*
20 *solicitation or sale of contracts for work concerning residential*
21 *photovoltaic systems used to produce electricity.*

22 **Sec. 11.** (Deleted by amendment.)

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

29 **(a)** *The owner of the single-family residence agrees to accept*
30 *the loan or financing.*

31 **(b)** *The owner of the single-family residence does not rescind*
32 *the loan or financing transaction within the period prescribed for*
33 *rescission pursuant to the Truth in Lending Act, 15 U.S.C. §§*
34 *1601 et seq., or chapter 598 of NRS, if applicable.*

35 **2.** *Unless and until all applicable requirements of subsection*
36 *1 are satisfied, a contractor shall not:*

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

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

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

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



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

8 2. The contractor may not:

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

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

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

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

19 (a) Constitutes cause for disciplinary action pursuant to NRS
20 624.300; and

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

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

25 3. Any person who violates any provision of sections 2 to 14,
26 inclusive, of this act, shall be penalized pursuant to the applicable
27 provisions of NRS 624.700 and 624.750.

28 4. The imposition of a penalty provided for in this section is
29 not precluded by any disciplinary action taken by the Board
30 against a contractor pursuant to the provisions of NRS 624.300 to
31 624.305, inclusive.

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

33 624.270 1. Before issuing a contractor's license to any
34 applicant, the Board shall require that the applicant:

35 (a) File with the Board a surety bond in a form acceptable to the
36 Board executed by the contractor as principal with a corporation
37 authorized to transact surety business in the State of Nevada as
38 surety; or

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

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



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

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

25 5. After a licensee has acted in the capacity of a licensed
26 contractor in the State of Nevada for not less than 5 consecutive
27 years, the Board may relieve the licensee of the requirement of
28 filing a bond or establishing a cash deposit if evidence supporting
29 such relief is presented to the Board. The Board may at any time
30 thereafter require the licensee to file a new bond or establish a new
31 cash deposit as provided in subsection 4:

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

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

36 (c) Pursuant to subsection 7.

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

40 6. If the Board is notified by the Labor Commissioner pursuant
41 to NRS 607.165 or otherwise receives notification that three
42 substantiated claims for wages have been filed against a contractor
43 within a 2-year period, the Board shall require the contractor to file
44 a bond or establish a cash deposit in an amount fixed by the Board.



1 The contractor shall maintain the bond or cash deposit for the period
2 required by the Board.

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

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

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

13 (c) ***Enters into a contract on or after October 1, 2021, that is***
14 ***later voided by the owner of the single-family residence pursuant***
15 ***to subsection 6 of section 9 of this act or pursuant to any***
16 ***regulation adopted by the Board with respect to contracts for work***
17 ***concerning a residential photovoltaic system used to produce***
18 ***electricity;*** or

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

21 ➔ the Board may require the contractor to comply with the
22 provisions of subsection 8.

23 8. If the Board requires a contractor described in subsection 7
24 to comply with the provisions of this subsection, the contractor
25 shall, before commencing work concerning a residential pool or spa
26 ~~{}~~ ***or work concerning a residential photovoltaic system used to***
27 ***produce electricity,*** obtain:

28 (a) Except as otherwise provided in this subsection, a
29 performance bond in an amount equal to not less than 50 percent of
30 the amount of the contract, conditioned upon the faithful
31 performance of the contract in accordance with the plans,
32 specifications and conditions set forth in the contract. The
33 performance bond must be solely for the protection of the owner of
34 the property to be improved.

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

41 ➔ A bond required pursuant to this subsection must be provided by
42 a person whose long-term debt obligations are rated "A" or better by
43 a nationally recognized rating agency. The contractor shall maintain
44 the bond for the period required by the Board. The contractor shall
45 furnish to the building department of the city or county, as



1 applicable, in which the work will be carried out, a copy of any
2 bond. In lieu of a performance or payment bond, the contractor may
3 obtain an equivalent form of security approved by the Board.

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

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

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

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

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

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

18 4. Failure to give a notice required by NRS 108.227, 108.245,
19 108.246 or 624.520.

20 5. Failure to comply with NRS 624.920, 624.930, 624.935 or
21 624.940 or any regulations of the Board governing contracts for
22 work concerning residential pools and spas.

23 6. Failure to comply with NRS 624.600.

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

27 8. Failure to pay an assessment required pursuant to
28 NRS 624.470.

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

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

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

37 12. Failure to provide a builder's warranty as required by NRS
38 624.602 or to respond reasonably to a claim made under a builder's
39 warranty.

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



1 **Sec. 17.** NRS 627.175 is hereby amended to read as follows:
2 627.175 1. Except as otherwise provided in subsection 2, the
3 following shall not be a construction control or subject to the
4 provisions of this chapter:

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

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

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

16 (d) A lender of construction loan money, provided that the
17 lender disburses the money directly to a contractor authorized by
18 the borrower to do the work, or disburses the money directly to the
19 owner of the premises.

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

25 2. The provisions of this chapter apply to a contractor who is
26 required to obtain the services of a construction control pursuant to
27 the provisions of NRS 624.264, 624.323 or 624.960 **or section 13**
28 ***of this act.***

