
SENATE BILL NO. 487—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 28, 2011

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to the award of a contract for a public work to a specialty contractor. (BDR 28-394)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to public works; revising provisions relating to the award of a contract for a public work to a specialty contractor; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, a specialty contractor, which is defined as a contractor
2 whose operations consist of the performance of construction work requiring special
3 skill and whose principal contracting business involves the use of specialized
4 building trades or craft, is allowed to take and execute a contract involving the use
5 of two or more crafts or trades if the work performed in the crafts or trades, other
6 than the crafts or trades in which the specialty contractor is licensed, is incidental
7 and supplemental to the performance of the work in the craft for which the
8 specialty contractor is licensed. (NRS 624.215, 624.220) With respect to public
9 works, existing law authorizes the State or a local government to award a contract
10 for a public work to a specialty contractor if: (1) the majority of the work
11 performed under the contract consists of the specialty contracting for which the
12 specialty contractor is licensed; and (2) the public work is not part of a larger public
13 work. However, any work to be performed under such a contract that is outside the
14 scope of the license of the specialty contractor is required to be performed by an
15 appropriate subcontractor. (NRS 338.139, 338.148) This bill prescribes the
16 circumstances under which a public body may award a contract to a specialty
17 contractor that involves the performance of work that is outside the scope of the
18 specialty contractor’s license. This bill also provides for the certification of
19 specialty contractors by the State Contractors’ Board with respect to such contracts.



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

- 1 **Section 1.** NRS 338.139 is hereby amended to read as follows:
2 338.139 1. A public body or its authorized representative
3 may award a contract for a public work pursuant to NRS 338.1375
4 to 338.13895, inclusive, to a specialty contractor if **the public**
5 **body or its authorized representative determines that:**
6 (a) The majority of the work to be performed on the public work
7 to which the contract pertains consists of specialty contracting for
8 which the specialty contractor is licensed **pursuant to chapter**
9 **624 of NRS;** and
10 (b) The public work to which the contract pertains is not part of
11 a larger public work.
12 2. If **a contract to which subsection 1 applies involves the**
13 **performance of work outside the scope of the specialty**
14 **contractor's license, the public body or its authorized**
15 **representative may not award a contract to the specialty contractor**
16 **unless the public body or its authorized representative determines**
17 **that:**
18 (a) **The work that is outside the scope of the specialty**
19 **contractor's license is incidental and supplemental to the**
20 **performance of the work that the specialty contractor is licensed to**
21 **perform, as provided for in subsection 4 of NRS 624.220;**
22 (b) **The State Contractors' Board has issued a certification to**
23 **the specialty contractor pursuant to subsection 3; or**
24 (c) **The specialty contractor is also licensed as a general**
25 **building contractor pursuant to chapter 624 of NRS.**
26 3. **Upon application by a specialty contractor, the State**
27 **Contractors' Board may issue to a qualified specialty contractor a**
28 **certification which allows the specialty contractor to enter into**
29 **contracts to be awarded pursuant to NRS 338.1375 to 338.13895,**
30 **inclusive, that involve the performance of work which is outside**
31 **the scope of the specialty contractor's license and which is more**
32 **than incidental and supplemental to the performance of the work**
33 **that the specialty contractor is licensed to perform. A specialty**
34 **contractor is qualified to receive a certification pursuant to this**
35 **subsection if:**
36 (a) **The specialty contractor is licensed for his or her specialty**
37 **pursuant to chapter 624 of NRS; and**
38 (b) **The specialty contractor has successfully completed at least**
39 **one public work in the State of Nevada pursuant to NRS 338.1375**
40 **to 338.13895, inclusive, which involved the use of two or more**
41 **crafts or trades unrelated to his or her specialty.**



1 **4. Except as otherwise provided in this section, if** a public
2 body or its authorized representative awards a contract to a specialty
3 contractor pursuant to NRS 338.1375 to 338.13895, inclusive, all
4 work to be performed on the public work to which the contract
5 pertains that is outside the scope of the license of the specialty
6 contractor must be performed by a subcontractor who:

7 (a) Is licensed to perform such work; and

8 (b) At the time of the performance of the work, is not on
9 disqualified status with the State Public Works Board pursuant to
10 NRS 338.1376.

11 **5. Nothing in this section shall be construed to prohibit a**
12 **specialty contractor who is also licensed as a general building**
13 **contractor pursuant to chapter 624 of NRS from entering into a**
14 **contract for a public work or performing work himself or herself**
15 **on a public work as allowed by subsection 3 of NRS 624.215.**

16 **6. The State Contractors' Board shall adopt regulations**
17 **prescribing the procedure for the certification of specialty**
18 **contractors.**

19 **Sec. 2.** NRS 338.148 is hereby amended to read as follows:

20 338.148 1. A local government or its authorized
21 representative may award a contract for a public work to a specialty
22 contractor pursuant to NRS 338.143 to 338.1475, inclusive, if **[H] the**
23 **local government or its authorized representative determines that:**

24 (a) The majority of the work to be performed on the public work
25 to which the contract pertains consists of specialty contracting for
26 which the specialty contractor is licensed **[H] pursuant to chapter**
27 **624 of NRS;** and

28 (b) The public work to which the contract pertains is not part of
29 a larger public work.

30 2. **If a contract to which subsection 1 applies involves the**
31 **performance of work outside the scope of the specialty**
32 **contractor's license, the local government or its authorized**
33 **representative may not award a contract to the specialty contractor**
34 **unless the local government or its authorized representative**
35 **determines that:**

36 (a) **The work that is outside the scope of the specialty**
37 **contractor's license is incidental and supplemental to the**
38 **performance of the work that the specialty contractor is licensed to**
39 **perform, as provided for in subsection 4 of NRS 624.220;**

40 (b) **The State Contractors' Board has issued a certification to**
41 **the specialty contractor pursuant to subsection 3; or**

42 (c) **The specialty contractor is also licensed as a general**
43 **building contractor pursuant to chapter 624 of NRS.**

44 3. **Upon application by a specialty contractor, the State**
45 **Contractors' Board may issue to a qualified specialty contractor a**



1 *certification which allows the specialty contractor to enter into*
2 *contracts to be awarded pursuant to NRS 338.143 to 338.1475,*
3 *inclusive, that involve the performance of work which is outside*
4 *the scope of the specialty contractor's license and which is more*
5 *than incidental and supplemental to the performance of the work*
6 *that the specialty contractor is licensed to perform. A specialty*
7 *contractor is qualified to receive a certification pursuant to this*
8 *subsection if:*

9 (a) *The specialty contractor is licensed for his or her specialty*
10 *pursuant to chapter 624 of NRS; and*

11 (b) *The specialty contractor has successfully completed at least*
12 *one public work in the State of Nevada pursuant to NRS 338.143*
13 *to 338.1475, inclusive, which involved the use of two or more*
14 *crafts or trades unrelated to his or her specialty.*

15 4. *Except as otherwise provided in this section, if* a local
16 government or its authorized representative awards a contract to a
17 specialty contractor pursuant to NRS 338.143 to 338.1475,
18 inclusive, all work to be performed on the public work to which the
19 contract pertains that is outside the scope of the license of the
20 specialty contractor must be performed by a subcontractor who is
21 licensed to perform such work.

22 5. *Nothing in this section shall be construed to prohibit a*
23 *specialty contractor who is also licensed as a general building*
24 *contractor pursuant to chapter 624 of NRS from entering into a*
25 *contract for a public work or performing work himself or herself*
26 *on a public work as allowed by subsection 3 of NRS 624.215.*

27 6. *The State Contractors' Board shall adopt regulations*
28 *prescribing the procedure for the certification of specialty*
29 *contractors.*

30 **Sec. 3.** NRS 624.220 is hereby amended to read as follows:

31 624.220 1. The Board shall adopt regulations necessary to
32 effect the classification and subclassification of contractors in a
33 manner consistent with established usage and procedure as found in
34 the construction business, and may limit the field and scope of the
35 operations of a licensed contractor to those in which the contractor
36 is classified and qualified to engage as defined by NRS 624.215 and
37 the regulations of the Board.

38 2. The Board shall limit the field and scope of the operations of
39 a licensed contractor by establishing a monetary limit on a
40 contractor's license, and the limit must be the maximum contract a
41 licensed contractor may undertake on one or more construction
42 contracts on a single construction site or subdivision site for a single
43 client. The Board may take any other action designed to limit the
44 field and scope of the operations of a contractor as may be necessary
45 to protect the health, safety and general welfare of the public. The



1 limit must be determined after consideration of the factors set forth
2 in NRS 624.260 to 624.265, inclusive.

3 3. A licensed contractor may request that the Board increase
4 the monetary limit on his or her license, either on a permanent basis
5 or for a single construction project. A request submitted to the
6 Board pursuant to this subsection must be in writing on a form
7 prescribed by the Board and accompanied by such supporting
8 documentation as the Board may require. If a request submitted
9 pursuant to this section is for a single construction project, the
10 request must be submitted to the Board at least 2 working days
11 before the date on which the licensed contractor intends to submit a
12 bid for the project.

13 4. ~~Subject~~ *Except as otherwise provided in NRS 338.139*
14 *and 338.148 and subject* to the provisions of regulations adopted
15 pursuant to subsection 5, nothing contained in this section prohibits
16 a specialty contractor from taking and executing a contract
17 involving the use of two or more crafts or trades, if the performance
18 of the work in the crafts or trades, other than in which the specialty
19 contractor is licensed, is incidental and supplemental to the
20 performance of work in the craft for which the specialty contractor
21 is licensed.

22 5. The Board shall adopt regulations establishing a specific
23 limit on the amount of asbestos that a licensed contractor with a
24 license that is not classified for the abatement or removal of asbestos
25 may abate or remove pursuant to subsection 4.

26 **Sec. 4.** This act becomes effective on July 1, 2011.

