

ASSEMBLY BILL NO. 501—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE STATE CONTRACTORS' BOARD)

MARCH 28, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Revises certain provisions governing contractors.
(BDR 54-636)

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: No.

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

AN ACT relating to contractors; providing that certain managing officers, members, employees and other persons associated with licensed contractors are subject to disciplinary action by the State Contractors' Board; prohibiting certain unfair business practices and other improper practices by contractors; extending the statute of limitations for certain misdemeanor offenses; revising provisions regarding certain financial statements submitted to the Board; authorizing the Board to deny a license or take disciplinary action for certain criminal offenses committed in other jurisdictions; increasing the amount of the administrative fines the Board may impose for certain violations; providing penalties; and providing other matters properly relating thereto.



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 5, inclusive, of this
3 act.

4 **Sec. 2. 1.** *“Licensee” means any individual, partnership,*
5 *limited partnership, limited-liability company, corporation, joint*
6 *venture or other organization, or any combination of those*
7 *individuals or organizations, licensed pursuant to this chapter.*

8 **2.** *For the purposes of the Board taking disciplinary action or*
9 *other administrative action pursuant to section 3 of this act, the*
10 *term “licensee” also includes any named responsible managing*
11 *officer, member or employee who has qualified on behalf of a*
12 *licensee pursuant to NRS 624.260.*

13 **Sec. 3.** *If any provision of this chapter authorizes the Board*
14 *to take disciplinary action or other administrative action against a*
15 *licensee, the Board may also take such disciplinary action or other*
16 *administrative action against any named responsible managing*
17 *officer, member or employee who has qualified on behalf of the*
18 *licensee pursuant to NRS 624.260.*

19 **Sec. 4.** *The following acts, among others, are unfair business*
20 *practices and constitute cause for disciplinary action under*
21 *NRS 624.300:*

22 **1.** *When a contractor states that service, replacement parts,*
23 *equipment or repairs are needed when such service, replacement*
24 *parts, equipment or repairs actually are not needed.*

25 **2.** *When a contractor makes any false or misleading*
26 *statement or representation of material fact that is intended,*
27 *directly or indirectly, to induce another person to use the services*
28 *of the contractor or to enter into any contract with the contractor*
29 *or any obligation relating to such a contract.*

30 **3.** *When a contractor makes any false or misleading*
31 *statement or representation of material fact that is intended,*
32 *directly or indirectly, to disparage the goods, services or business*
33 *of another person.*

34 **Sec. 5.** *For any violation of the provisions of this chapter*
35 *that is punishable as a misdemeanor, an indictment must be*
36 *found, or an information or complaint filed, within 2 years after*
37 *the commission of the offense.*

38 **Sec. 6.** NRS 624.006 is hereby amended to read as follows:

39 624.006 As used in this chapter, unless the context otherwise
40 requires, the words and terms defined in NRS 624.010 to 624.024,
41 inclusive, *and section 2 of this act* have the meanings ascribed to
42 them in those sections.



1 **Sec. 7.** NRS 624.263 is hereby amended to read as follows:

2 624.263 1. The financial responsibility of a licensee or an
3 applicant for a contractor's license must be established
4 independently of and without reliance on any assets or guarantees of
5 any owners or managing officers of the licensee or applicant, but the
6 financial responsibility of any owners or managing officers of the
7 licensee or applicant may be inquired into and considered as a
8 criterion in determining the financial responsibility of the licensee or
9 applicant.

10 2. The financial responsibility of an applicant for a contractor's
11 license or of a licensed contractor must be determined by using the
12 following standards and criteria in connection with each applicant or
13 contractor and each associate or partner thereof:

14 (a) Net worth.

15 (b) Amount of liquid assets.

16 (c) Prior payment and credit records.

17 (d) Previous business experience.

18 (e) Prior and pending lawsuits.

19 (f) Prior and pending liens.

20 (g) Adverse judgments.

21 (h) Conviction of a felony or crime involving moral turpitude.

22 (i) Prior suspension or revocation of a contractor's license in
23 Nevada or elsewhere.

24 (j) An adjudication of bankruptcy or any other proceeding under
25 the federal bankruptcy laws, including:

26 (1) A composition, arrangement or reorganization
27 proceeding;

28 (2) The appointment of a receiver of the property of the
29 applicant or contractor or any officer, director, associate or partner
30 thereof under the laws of this State or the United States; or

31 (3) The making of an assignment for the benefit of creditors.

32 (k) Form of business organization, corporate or otherwise.

33 (l) Information obtained from confidential financial references
34 and credit reports.

35 (m) Reputation for honesty and integrity of the applicant or
36 contractor or any officer, director, associate or partner thereof.

37 3. A licensed contractor shall, as soon as it is reasonably
38 practicable, notify the Board in writing upon the filing of a petition
39 or application relating to the contractor that initiates any proceeding,
40 appointment or assignment set forth in paragraph (j) of subsection 2.
41 The written notice must be accompanied by:

42 (a) A copy of the petition or application filed with the court; and

43 (b) A copy of any order of the court which is relevant to the
44 financial responsibility of the contractor, including any order
45 appointing a trustee, receiver or assignee.



1 4. Before issuing a license to an applicant who will engage in
2 residential construction or renewing the license of a contractor who
3 engages in residential construction, the Board may require the
4 applicant or licensee to establish his financial responsibility by
5 submitting to the Board:

6 (a) A financial statement ~~[prepared by a certified public~~
7 ~~accountant; and]~~ *that is on a form prescribed by the Board;*

8 (b) *An affidavit which verifies the accuracy of the financial*
9 *statement; and*

10 (c) A statement setting forth the number of building permits
11 issued to and construction projects completed by the licensee during
12 the immediately preceding year and any other information required
13 by the Board. The statement submitted pursuant to this paragraph
14 must be provided on a form approved by the Board.

15 5. In addition to ~~[the]~~ *any other* requirements set forth in
16 ~~[subsection 4.]~~ *this section*, the Board may require ~~[a]~~ :

17 (a) *An applicant or licensee to provide a financial statement*
18 *that is prepared by an independent certified public accountant.*

19 (b) *A licensee to establish his financial responsibility at any*
20 *time.*

21 6. An applicant for an initial contractor's license or a licensee
22 applying for the renewal of a contractor's license has the burden of
23 demonstrating his financial responsibility to the Board, if the Board
24 requests him to do so.

25 **Sec. 8.** NRS 624.264 is hereby amended to read as follows:

26 624.264 1. In addition to any other requirements set forth in
27 this chapter, if an applicant will engage in residential construction
28 and the applicant or the natural person qualifying on behalf of the
29 applicant pursuant to NRS 624.260 has not held a contractor's
30 license issued pursuant to this chapter within the 2 years
31 immediately preceding the date that the application is submitted to
32 the Board, the Board shall require the applicant to establish his
33 financial responsibility by submitting to the Board:

34 (a) A financial statement that is ~~[prepared by an independent~~
35 ~~certified public accountant; and]~~ *on a form prescribed by the*
36 *Board;*

37 (b) *An affidavit which verifies the accuracy of the financial*
38 *statement; and*

39 (c) Any other information required by the Board.

40 2. Before the Board may issue a contractor's license to the
41 applicant, the Board must determine whether, based on the financial
42 information concerning the applicant, it would be in the public
43 interest to do any or all of the following:

44 (a) Require the applicant to obtain the services of a construction
45 control with respect to any money that the applicant requires a



1 purchaser of a new residence to pay in advance to make upgrades to
2 the new residence. If the Board imposes such a requirement, the
3 applicant may not:

4 (1) Be related to the construction control or to an employee
5 or agent of the construction control; or

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

8 (b) Establish an aggregate monetary limit on the contractor's
9 license, which must be the maximum combined monetary limit on
10 all contracts that the applicant may undertake or perform as a
11 licensed contractor at any one time, regardless of the number of
12 contracts, construction sites, subdivision sites or clients. If the Board
13 establishes such a limit, the Board:

14 (1) Shall determine the period that the limit is in effect; and

15 (2) During that period, may increase or decrease the limit as
16 the Board deems appropriate.

17 3. If the Board issues a contractor's license to an applicant
18 described in subsection 1, for the first 2 years after the issuance of
19 the license, the licensee must submit to the Board, with each
20 application for renewal of the license:

21 (a) A financial statement that is ~~prepared by an independent~~
22 ~~certified public accountant; and~~ *on a form prescribed by the*
23 *Board;*

24 (b) *An affidavit which verifies the accuracy of the financial*
25 *statement; and*

26 (c) A statement setting forth the number of building permits
27 issued to and construction projects completed by the licensee during
28 the immediately preceding year and any other information required
29 by the Board. The statement submitted pursuant to this paragraph
30 must be provided on a form approved by the Board.

31 4. Before the Board may renew the contractor's license of the
32 licensee, the Board must determine whether, based on the financial
33 information concerning the licensee, it would be in the public
34 interest to do any or all of the following:

35 (a) Require the licensee to obtain the services of a construction
36 control with respect to any money that the licensee requires a
37 purchaser of a new residence to pay in advance to make upgrades to
38 the new residence. If the Board imposes such a requirement, the
39 licensee may not:

40 (1) Be related to the construction control or to an employee
41 or agent of the construction control; or

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

44 (b) Establish an aggregate monetary limit on the contractor's
45 license, which must be the maximum combined monetary limit on



1 all contracts that the licensee may undertake or perform as a
2 licensed contractor at any one time, regardless of the number of
3 contracts, construction sites, subdivision sites or clients. If the Board
4 establishes such a limit, the Board:

5 (1) Shall determine the period that the limit is in effect; and

6 (2) During that period, may increase or decrease the limit as
7 the Board deems appropriate.

8 ***5. In addition to any other requirements set forth in this***
9 ***section, the Board may require an applicant or licensee to provide***
10 ***a financial statement that is prepared by an independent certified***
11 ***public accountant.***

12 **Sec. 9.** NRS 624.265 is hereby amended to read as follows:

13 624.265 1. An applicant for a contractor's license or a
14 licensed contractor and each officer, director, partner and associate
15 thereof must possess good character. Lack of character may be
16 established by showing that the applicant or licensed contractor, or
17 any officer, director, partner or associate thereof, has:

18 (a) Committed any act which would be grounds for the denial,
19 suspension or revocation of a contractor's license;

20 (b) A bad reputation for honesty and integrity;

21 (c) Entered a plea of nolo contendere or guilty to, been found
22 guilty of or been convicted, ***in this State or any other jurisdiction,***
23 of a crime arising out of, in connection with or related to the
24 activities of such person in such a manner as to demonstrate his
25 unfitness to act as a contractor, and the time for appeal has elapsed
26 or the judgment of conviction has been affirmed on appeal; or

27 (d) Had a license revoked or suspended for reasons that would
28 preclude the granting or renewal of a license for which the
29 application has been made.

30 2. Upon the request of the Board, an applicant for a
31 contractor's license, and any officer, director, partner or associate of
32 the applicant, must submit to the Board completed fingerprint cards
33 and a form authorizing an investigation of the applicant's
34 background and the submission of his fingerprints to the Central
35 Repository for Nevada Records of Criminal History and the Federal
36 Bureau of Investigation. The fingerprint cards and authorization
37 form submitted must be those that are provided to the applicant by
38 the Board. The applicant's fingerprints may be taken by an agent of
39 the Board or an agency of law enforcement.

40 3. The Board shall keep the results of the investigation
41 confidential and not subject to inspection by the general public.

42 4. The Board shall establish by regulation the fee for
43 processing the fingerprints to be paid by the applicant. The fee must
44 not exceed the sum of the amounts charged by the Central



1 Repository for Nevada Records of Criminal History and the Federal
2 Bureau of Investigation for processing the fingerprints.

3 5. The Board may obtain records of a law enforcement agency
4 or any other agency that maintains records of criminal history,
5 including, without limitation, records of:

- 6 (a) Arrests;
- 7 (b) Guilty pleas;
- 8 (c) Sentencing;
- 9 (d) Probation;
- 10 (e) Parole;
- 11 (f) Bail;
- 12 (g) Complaints; and
- 13 (h) Final dispositions,

14 ↪ for the investigation of a licensee or an applicant for a
15 contractor's license.

16 **Sec. 10.** NRS 624.283 is hereby amended to read as follows:

17 624.283 1. Each license issued under the provisions of this
18 chapter expires 1 year after the date on which it is issued, except
19 that the Board may by regulation prescribe shorter or longer periods
20 and prorated fees to establish a system of staggered renewals. Any
21 license which is not renewed on or before the date for renewal is
22 automatically suspended.

23 2. A license may be renewed by submitting to the Board:

- 24 (a) An application for renewal;
- 25 (b) The statement required pursuant to NRS 624.268 if the
26 holder of the license is a natural person;
- 27 (c) The fee for renewal fixed by the Board; and
- 28 (d) Any assessment required pursuant to NRS 624.470 if the
29 holder of the license is a residential contractor as defined in
30 NRS 624.450.

31 3. The Board may require a licensee to demonstrate his
32 financial responsibility at any time through the submission of:

- 33 (a) A financial statement that is ~~prepared by an independent~~
34 ~~certified public accountant; and~~ *on a form prescribed by the*
35 *Board;*
- 36 (b) *An affidavit which verifies the accuracy of the financial*
37 *statement; and*

38 (c) If the licensee performs residential construction, such
39 additional documentation as the Board deems appropriate.

40 4. If a license is automatically suspended pursuant to
41 subsection 1, the licensee may have his license reinstated upon filing
42 an application for renewal within 6 months after the date of
43 suspension and paying, in addition to the fee for renewal, a fee for
44 reinstatement fixed by the Board, if he is otherwise in good standing
45 and there are no complaints pending against him. If he is otherwise



1 not in good standing or there is a complaint pending, the Board shall
2 require him to provide a current financial statement prepared by an
3 independent certified public accountant or establish other conditions
4 for reinstatement. If the licensee is a natural person, his application
5 for renewal must be accompanied by the statement required
6 pursuant to NRS 624.268. A license which is not reinstated within 6
7 months after it is automatically suspended may be cancelled by the
8 Board, and a new license may be issued only upon application for an
9 original contractor's license.

10 **Sec. 11.** NRS 624.283 is hereby amended to read as follows:

11 624.283 1. Each license issued under the provisions of this
12 chapter expires 1 year after the date on which it is issued, except
13 that the Board may by regulation prescribe shorter or longer periods
14 and prorated fees to establish a system of staggered renewals. Any
15 license which is not renewed on or before the date for renewal is
16 automatically suspended.

17 2. A license may be renewed by submitting to the Board:

18 (a) An application for renewal;

19 (b) The fee for renewal fixed by the Board; and

20 (c) Any assessment required pursuant to NRS 624.470 if the
21 holder of the license is a residential contractor as defined in
22 NRS 624.450.

23 3. The Board may require a licensee to demonstrate his
24 financial responsibility at any time through the submission of:

25 (a) A financial statement that is ~~prepared by an independent~~
26 ~~certified public accountant; and~~ *on a form prescribed by the*
27 *Board;*

28 (b) *An affidavit which verifies the accuracy of the financial*
29 *statement; and*

30 (c) If the licensee performs residential construction, such
31 additional documentation as the Board deems appropriate.

32 4. If a license is automatically suspended pursuant to
33 subsection 1, the licensee may have his license reinstated upon filing
34 an application for renewal within 6 months after the date of
35 suspension and paying, in addition to the fee for renewal, a fee for
36 reinstatement fixed by the Board, if he is otherwise in good standing
37 and there are no complaints pending against him. If he is otherwise
38 not in good standing or there is a complaint pending, the Board shall
39 require him to provide a current financial statement prepared by an
40 independent certified public accountant or establish other conditions
41 for reinstatement. A license which is not reinstated within 6 months
42 after it is automatically suspended may be cancelled by the Board,
43 and a new license may be issued only upon application for an
44 original contractor's license.



1 **Sec. 12.** NRS 624.300 is hereby amended to read as follows:
2 624.300 1. Except as otherwise provided in subsections 3 and
3 4, the Board may:
4 (a) Suspend or revoke licenses already issued;
5 (b) Refuse renewals of licenses;
6 (c) Impose limits on the field, scope and monetary limit of the
7 license;
8 (d) Impose an administrative fine of not more than \$10,000;
9 (e) Order a licensee to repay to the account established pursuant
10 to NRS 624.470, any amount paid out of the account pursuant to
11 NRS 624.510 as a result of an act or omission of that licensee;
12 (f) Order the licensee to take action to correct a condition
13 resulting from an act which constitutes a cause for disciplinary
14 action, at the licensee's cost, that may consist of requiring the
15 licensee to:
16 (1) Perform the corrective work himself;
17 (2) Hire and pay another licensee to perform the corrective
18 work; or
19 (3) Pay to the owner of the construction project a specified
20 sum to correct the condition; or
21 (g) Issue a public reprimand or take other less severe
22 disciplinary action, including, without limitation, increasing the
23 amount of the surety bond or cash deposit of the licensee,
24 ➤ if the licensee commits any act which constitutes a cause for
25 disciplinary action.
26 2. If the Board suspends or revokes the license of a contractor
27 for failure to establish financial responsibility, the Board may, in
28 addition to any other conditions for reinstating or renewing the
29 license, require that each contract undertaken by the licensee for a
30 period to be designated by the Board, not to exceed 12 months, be
31 separately covered by a bond or bonds approved by the Board and
32 conditioned upon the performance of and the payment of labor and
33 materials required by the contract.
34 3. If a licensee violates the provisions of NRS 624.3014 , ~~for~~
35 subsection **2 or 3** of NRS 624.3015, **subsection 1 of NRS 624.302**
36 **or subsection 1 of NRS 624.305**, the Board may impose **for each**
37 **violation** an administrative fine ~~for~~ **in an amount that is** not more
38 than \$20,000 ~~or~~ **50 percent of the amount of the bid or contract**
39 **which is associated with the violation, whichever amount is**
40 **greater.**
41 4. If a licensee is prohibited from being awarded a contract for
42 a public work pursuant to NRS 338.017, the Board may suspend the
43 license of the licensee for the period of the prohibition.
44 5. If a licensee commits a fraudulent act which is a cause for
45 disciplinary action under NRS 624.3016, the correction of any



1 condition resulting from the act does not preclude the Board from
2 taking disciplinary action.

3 6. If the Board finds that a licensee has engaged in repeated
4 acts that would be cause for disciplinary action, the correction of
5 any resulting conditions does not preclude the Board from taking
6 disciplinary action pursuant to this section.

7 7. The expiration of a license by operation of law or by order
8 or decision of the Board or a court, or the voluntary surrender of a
9 license by a licensee, does not deprive the Board of jurisdiction to
10 proceed with any investigation of, or action or disciplinary
11 proceeding against, the licensee or to render a decision suspending
12 or revoking the license.

13 8. The Board shall not issue a private reprimand to a licensee.

14 9. An order that imposes discipline and the findings of fact and
15 conclusions of law supporting that order are public records.

16 10. All fines collected pursuant to this section must be
17 deposited with the State Treasurer for credit to the Construction
18 Education Account created pursuant to NRS 624.580.

19 **Sec. 13.** NRS 624.3016 is hereby amended to read as follows:

20 624.3016 The following acts or omissions, among others,
21 constitute cause for disciplinary action under NRS 624.300:

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

25 2. A conviction of a violation of NRS 624.730, *or a conviction*
26 *in this State or any other jurisdiction of* a felony relating to the
27 practice of a contractor or a crime involving moral turpitude.

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

31 4. Failure to give a notice required by NRS 108.227, 108.245
32 or 108.246.

33 5. Failure to comply with NRS 597.713, 597.716 or 597.719 or
34 any regulations of the Board governing contracts for the
35 construction of residential pools and spas.

36 6. Failure to comply with NRS 624.600.

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

40 8. Failure to pay an assessment required pursuant to
41 NRS 624.470.

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



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

4 **Sec. 14.** NRS 624.3018 is hereby amended to read as follows:

5 624.3018 1. Any person who:

6 (a) Has been denied a license or who has had his license revoked
7 or suspended or who has been denied a renewal of a license; or

8 (b) Has been a member, officer, director or associate of any
9 partnership, corporation, firm or association whose application for a
10 license has been denied, or whose license has been revoked or
11 suspended or which has been denied a renewal of a license, and
12 while acting as such member, officer, director or associate had
13 knowledge of or participated in any of the prohibited acts for which
14 the license or the renewal thereof was denied, suspended or revoked,
15 ➔ may be prohibited from serving as an officer, director, associate
16 or partner of a licensee.

17 2. The performance by any partnership, corporation, firm or
18 association of any act or omission constituting a cause for
19 disciplinary action likewise constitutes a cause for disciplinary
20 action against any licensee *or person* who is a member, officer,
21 director or associate of such partnership, corporation, firm or
22 association, and who participated in such prohibited act or omission.

23 **Sec. 15.** NRS 624.323 is hereby amended to read as follows:

24 624.323 1. In addition to any other requirements set forth in
25 this chapter, if an investigation is conducted against a licensee and
26 the Board determines that there is cause to proceed with a formal
27 disciplinary proceeding against the licensee, the Board shall require
28 the licensee to submit to the Board:

29 (a) A financial statement that is ~~[prepared by an independent~~
30 ~~certified public accountant; and]~~ *on a form prescribed by the*
31 *Board;*

32 (b) *An affidavit which verifies the accuracy of the financial*
33 *statement; and*

34 (c) A statement setting forth the number of building permits
35 issued to and construction projects completed by the licensee during
36 the immediately preceding year and any other information required
37 by the Board. The statement submitted pursuant to this paragraph
38 must be provided on a form approved by the Board.

39 2. After providing the licensee with notice and an opportunity
40 to be heard, the Board must determine whether, based on the
41 financial information concerning the licensee, it would be in the
42 public interest to do any or all of the following:

43 (a) Require the licensee to obtain the services of a construction
44 control with respect to any money that the licensee requires a
45 purchaser of a new residence to pay in advance to make upgrades to



1 the new residence. If the Board imposes such a requirement, the
2 licensee may not:

3 (1) Be related to the construction control or to an employee
4 or agent of the construction control; or

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

7 (b) Establish an aggregate monetary limit on the contractor's
8 license, which must be the maximum combined monetary limit on
9 all contracts that the licensee may undertake or perform as a
10 licensed contractor at any one time, regardless of the number of
11 contracts, construction sites, subdivision sites or clients. If the Board
12 establishes such a limit, the Board:

13 (1) Shall determine the period that the limit is in effect; and

14 (2) During that period, may increase or decrease the limit as
15 the Board deems appropriate.

16 3. The provisions of this section do not limit the authority of
17 the Board to take disciplinary action against the licensee.

18 **Sec. 16.** NRS 624.710 is hereby amended to read as follows:

19 624.710 1. If any person violates the provisions of subsection
20 1 of NRS 624.700, the Board may impose *for each violation* an
21 administrative fine ~~of~~ *in an amount that is* not less than \$1,000
22 ~~nor~~ *and not* more than \$10,000 ~~for each violation.~~ *or 50 percent*
23 *of the amount of the bid or contract which is associated with the*
24 *violation, whichever amount is greater.*

25 2. An administrative fine imposed pursuant to this section is in
26 addition to any other penalty imposed pursuant to this chapter.

27 3. If the administrative fine is not paid when due, the fine must
28 be recovered in a civil action brought by the Attorney General on
29 behalf of the Board.

30 4. All administrative fines collected pursuant to this section
31 must be deposited with the State Treasurer for credit to the
32 Construction Education Account created pursuant to NRS 624.580.

33 **Sec. 17.** NRS 624.720 is hereby amended to read as follows:

34 624.720 1. It is unlawful for any person, including a person
35 exempt under the provisions of NRS 624.031, to advertise as a
36 contractor unless he has a license in the appropriate classification
37 established by the provisions of NRS 624.215 and 624.220.

38 2. *It is unlawful for a licensed contractor to disseminate, as*
39 *part of any advertising by the contractor, any false or misleading*
40 *statement or representation of material fact that is intended,*
41 *directly or indirectly, to induce another person to use the services*
42 *of the contractor or to enter into any contract with the contractor*
43 *or any obligation relating to such a contract.*

44 3. All advertising by a licensed contractor must include the
45 name of his company and the number of his license.



1 ~~[3,]~~ 4. If, after giving notice and holding a hearing pursuant to
2 NRS 624.291, the Board determines that a person has engaged in
3 advertising in a manner that violates the provisions of this section,
4 the Board may, in addition to any penalty, punishment or
5 disciplinary action authorized by the provisions of this chapter, issue
6 an order to the person to cease and desist the unlawful advertising
7 and to:

8 (a) Cause any telephone number included in the advertising,
9 other than a telephone number to a provider of paging services, to be
10 disconnected.

11 (b) Request the provider of paging services to change the
12 number of any beeper which is included in the advertising or
13 disconnect the paging services to such a beeper, and to inform the
14 provider of paging services that the request is made pursuant to this
15 section.

16 ~~[4,]~~ 5. If a person fails to comply with paragraph (a) of
17 subsection ~~[3,]~~ 4 within 5 days after the date that he receives an order
18 pursuant to subsection ~~[3,]~~ 4, the Board may request the Public
19 Utilities Commission of Nevada to order the appropriate provider of
20 telephone service to disconnect any telephone number included in
21 the advertisement, except for a telephone number to a provider of
22 paging services. If a person fails to comply with paragraph (b) of
23 subsection ~~[3,]~~ 4 within 5 days after the date he receives an order
24 pursuant to subsection ~~[3,]~~ 4, the Board may request the provider of
25 paging services to switch the beeper number or disconnect the
26 paging services provided to the person, whichever the provider
27 deems appropriate.

28 ~~[5,]~~ 6. If the provider of paging services receives a request
29 from a person pursuant to subsection ~~[3,]~~ 4 or a request from the
30 Board pursuant to subsection ~~[4,]~~ 5, it shall:

31 (a) Disconnect the paging service to the person; or

32 (b) Switch the beeper number of the paging service provided to
33 the person.

34 ➔ If the provider of paging services elects to switch the number
35 pursuant to paragraph (b), it shall not forward or offer to forward the
36 paging calls from the previous number, or provide or offer to
37 provide a recorded message that includes the new beeper number.

38 ~~[6,]~~ 7. As used in this section:

39 (a) "Advertising" includes, but is not limited to, the issuance of
40 any sign, card or device, or the permitting or allowing of any sign or
41 marking on a motor vehicle, in any building, structure, newspaper,
42 magazine or airway transmission, on the Internet or in any directory
43 under the listing of "contractor" with or without any limiting
44 qualifications.



1 (b) "Beeper" means a portable electronic device which is used to
2 page the person carrying it by emitting an audible or a vibrating
3 signal when the device receives a special radio signal.

4 (c) "Provider of paging services" means an entity, other than a
5 public utility, that provides paging service to a beeper.

6 (d) "Provider of telephone service" has the meaning ascribed to
7 it in NRS 707.355.

8 **Sec. 18.** NRS 171.090 is hereby amended to read as follows:

9 171.090 Except as otherwise provided in NRS 171.095 and
10 202.885, *and section 5 of this act*, an indictment for:

11 1. A gross misdemeanor must be found, or an information or
12 complaint filed, within 2 years after the commission of the offense.

13 2. Any other misdemeanor must be found, or an information or
14 complaint filed, within 1 year after the commission of the offense.

15 **Sec. 19.** NRS 171.095 is hereby amended to read as follows:

16 171.095 1. Except as otherwise provided in subsection 2 and
17 NRS 171.083 and 171.084:

18 (a) If a felony, gross misdemeanor or misdemeanor is committed
19 in a secret manner, an indictment for the offense must be found, or
20 an information or complaint filed, within the periods of limitation
21 prescribed in NRS 171.085 and 171.090 *and section 5 of this act*
22 after the discovery of the offense, unless a longer period is allowed
23 by paragraph (b) or the provisions of NRS 202.885.

24 (b) An indictment must be found, or an information or
25 complaint filed, for any offense constituting sexual abuse of a child,
26 as defined in NRS 432B.100, before the victim of the sexual abuse
27 is:

28 (1) Twenty-one years old if he discovers or reasonably
29 should have discovered that he was a victim of the sexual abuse by
30 the date on which he reaches that age; or

31 (2) Twenty-eight years old if he does not discover and
32 reasonably should not have discovered that he was a victim of the
33 sexual abuse by the date on which he reaches 21 years of age.

34 2. If any indictment found, or an information or complaint
35 filed, within the time prescribed in subsection 1 is defective so that
36 no judgment can be given thereon, another prosecution may be
37 instituted for the same offense within 6 months after the first is
38 abandoned.

39 **Sec. 20.** 1. Except as otherwise provided in subsection 2, the
40 provisions of this act do not apply to any acts, omissions, violations
41 or offenses committed before the effective date of this act.

42 2. The provisions of this section do not prohibit the State
43 Contractors' Board from denying an application for a license
44 pursuant to chapter 624 of NRS based on a criminal conviction for
45 an offense committed before the effective date of this act.



1 **Sec. 21.** 1. This section and sections 1 to 10, inclusive, and
2 12 to 20, inclusive, of this act become effective upon passage and
3 approval.

4 2. The provisions of section 10 of this act expire by limitation
5 on the date on which the provisions of 42 U.S.C. § 666 requiring
6 each state to establish procedures under which the state has
7 authority to withhold or suspend, or to restrict the use of
8 professional, occupational and recreational licenses of persons who:

9 (a) Have failed to comply with a subpoena or warrant relating to
10 a proceeding to determine the paternity of a child or to establish or
11 enforce an obligation for the support of a child; or

12 (b) Are in arrears in the payment for the support of one or more
13 children,

14 ↪ are repealed by the Congress of the United States.

15 3. Section 11 of this act becomes effective on the date on
16 which the provisions of 42 U.S.C. § 666 requiring each state to
17 establish procedures under which the state has authority to withhold
18 or suspend, or to restrict the use of professional, occupational and
19 recreational licenses of persons who:

20 (a) Have failed to comply with a subpoena or warrant relating to
21 a procedure to determine the paternity of a child or to establish or
22 enforce an obligation for the support of a child; or

23 (b) Are in arrears in the payment for the support of one or more
24 children,

25 ↪ are repealed by the Congress of the United States.



