

ASSEMBLY BILL NO. 502—COMMITTEE
ON GOVERNMENT AFFAIRS(ON BEHALF OF THE JOINT INTERIM STANDING
COMMITTEE ON GOVERNMENT AFFAIRS)

MARCH 24, 2025

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to public works. (BDR 28-401)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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 compliance of a contractor or subcontractor with certain requirements relating to apprentices on a public work; revising requirements relating to identifying numbers for public works; revising provisions relating to the imposition of penalties for certain violations; revising provisions relating to the period within which a person is disqualified from being awarded a contract for a public work in certain circumstances; revising provisions relating to the investigation of certain possible violations; creating the Public Works Compliance Division within the Office of Labor Commissioner and prescribing its duties; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth the requirements for the State and its political subdivisions to award a contract for the new construction, repair or reconstruction of specified projects that are financed in whole or in part from public money, known as public works. (Chapter 338 of NRS) Existing law creates the Office of Labor Commissioner and requires the Labor Commissioner to enforce specified provisions relating to employment on public works. (NRS 338.010-338.130, 607.010) Existing law requires contractors or subcontractors engaged on a public work to use apprentices for a certain percentage of the total hours performed on a public work, depending on certain conditions related to the public work, and to report certain information regarding the public works for the previous year to the Labor Commissioner, except identifying information about a public work or an apprentice or employee. Existing law further requires a contractor or subcontractor on a public work to maintain and provide to the Labor Commissioner any supporting documentation to show that the contractor or subcontractor made a good faith effort to comply with the apprenticeship requirement. Such a good faith effort includes submitting to an apprenticeship program a request for an apprentice: (1) not earlier than 10 days before the contractor or subcontractor is scheduled to begin work on the public work; and (2) if a contractor or subcontractor does not work continuously on a public work, not earlier than 10 days before the contractor or subcontractor is scheduled to

18 resume work on the public work. (NRS 338.01165) Section 1 of this bill ~~removes~~ **increases**
19 the 10-day time limitation on requesting an apprentice, ~~thereby allowing for an apprentice to~~
20 ~~be requested by a contractor or subcontractor at any time before work on a public work is~~
21 ~~scheduled to begin or resume~~ **to 30 days**. Section 1 also removes the exception for not
22 reporting identifying information about a public work, thereby requiring the reporting of such
23 information to the Labor Commissioner.

24 Existing law, in part, requires a public body that undertakes a public work to: (1) request
25 an identifying number with a designation of the work and include the number in any
26 advertisement or other type of solicitation; and (2) report to the Labor Commissioner the
27 award of a contract within 10 days after the award and subsequently report the completion of
28 the work under the contract. (NRS 338.013) Section 2 of this bill requires that a public body
29 request such an identifying number not less than 3 business days before any advertisement or
30 other type of solicitation for the public work is published or made, as applicable. Section 2
31 also authorizes a penalty for each calendar day or portion thereof that a public body is not in
32 compliance with the reporting requirements.

33 Under existing law, if an administrative penalty is imposed against a person for a
34 violation of certain provisions relating to public works, the Labor Commissioner is authorized
35 to prohibit the person from being awarded a contract for a public work: (1) for the first
36 offense, for a period of 3 years after the date of the imposition of the administrative penalty;
37 and (2) for the second or subsequent offense, for a period of 5 years after the date of the
38 imposition of the administrative penalty. (NRS 338.017) Section 4 of this bill ~~instead~~
39 ~~provides for the issuance of a warning for the first offense and~~ revises the duration of the
40 period of the disqualification as follows: (1) **for the first offense, for a period of up to 180**
41 **days after the date of the imposition of the administrative penalty; (2) for the second**
42 **offense, for a period of up to 3 years but not less than 180 days after the date of the**
43 **imposition of the administrative penalty; ~~(3)~~ (3) for the third offense, for a period of ~~1+~~ year**
44 **up to 5 years but not less than 3 years after the date of the imposition of the administrative**
45 **penalty; and ~~(4)~~ (4) for the fourth or subsequent offense, for a period of ~~1+~~ not less than 5**
46 **years after the date of the imposition of the administrative penalty.**

47 Existing law requires any public body awarding a contract for a public work to
48 investigate possible violations of certain laws relating to public works and determine whether
49 a violation has been committed and inform the Labor Commissioner of any such violations.
50 (NRS 338.070) Section 5 of this bill requires a public body, within 90 days after substantial
51 completion of a contract for a public work, to: (1) conduct an investigation and make a
52 determination regarding any violation; or (2) refer the matter to the Public Works Compliance
53 Division, which is created within the Office of Labor Commissioner in section 8 of this bill.
54 Section 7 of this bill requires the Division to: (1) investigate possible violations of certain
55 laws relating to public works at the direction of the Labor Commissioner or upon receipt of a
56 referral from a public body; (2) submit to the Labor Commissioner a written report concerning
57 such an investigation and, if applicable, provide a copy of the report to the referring public
58 body upon completion of the investigation; and (3) perform any other duties related to the
59 enforcement of certain provisions relating to public works, as directed by the Labor
60 Commissioner. Sections 9 and 10 of this bill make conforming changes related to the creation
61 of the Division.

62 Existing law requires a public body to withhold and retain from payments to a contractor
63 on a public work sums that are forfeited as a result of the violation of certain laws relating to
64 public works. Existing law also prohibits any sums from being withheld, retained or forfeited,
65 except from the final payment, without a full investigation being made by the awarding public
66 body. (NRS 338.070) Section 5 requires a public body who refers the investigation of possible
67 offenses to the Division to withhold and retain all sums believed to be forfeited by the
68 violation of such laws until an investigation has been completed by the Division and the Labor
69 Commissioner has determined if any violations were committed. Section 5 authorizes the
70 Labor Commissioner to impose against a public body that fails to investigate possible
71 violations of certain laws relating to a public work or refer possible violations to the Public
72 Works Compliance Division within the prescribed time period: (1) a fee of \$1,000 for each
73 contractor or subcontractor found to be in violation of such provisions; and (2) an
74 administrative penalty of \$2,000 for each contractor or subcontractor found to be in violation
75 of such provisions. Section 5 also prohibits a public body from withholding from any
76 contractor or subcontractor engaged on a public work any amount due to the contractor or

subcontractor in order to recover any fee or penalty assessed against the public body by the Labor Commissioner pursuant to section 5.

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

Section 1. NRS 338.01165 is hereby amended to read as follows:

338.01165 1. Notwithstanding any other provision of this chapter and except as otherwise provided in this section, a contractor or subcontractor engaged in vertical construction who employs workers on one or more public works during a calendar year pursuant to NRS 338.040 shall use one or more apprentices for at least 10 percent, or any increased percentage established pursuant to subsection 3, of the total hours of labor worked for each apprenticed craft or type of work to be performed on those public works.

2. Notwithstanding any other provision of this chapter and except as otherwise provided in this section, a contractor or subcontractor engaged in horizontal construction who employs workers on one or more public works during a calendar year pursuant to NRS 338.040 shall use one or more apprentices for at least 3 percent, or any increased percentage established pursuant to subsection 3, of the total hours of labor worked for each apprenticed craft or type of work to be performed on those public works.

3. On or after January 1, 2021, the Labor Commissioner, in collaboration with the State Apprenticeship Council, may adopt regulations to increase the percentage of total hours of labor required to be performed by an apprentice pursuant to subsection 1 or 2 by not more than 2 percentage points.

4. An apprentice who graduates from an apprenticeship program while employed on a public work shall:

(a) Be deemed an apprentice on the public work for the purposes of subsections 1 and 2.

(b) Be deemed a journeyman for all other purposes, including, without limitation, the payment of wages or the payment of wages and benefits to a journeyman covered by a collective bargaining agreement.

5. If a contractor or subcontractor who is a signatory to a collective bargaining agreement with a union that sponsors an apprenticeship program for an apprenticed craft or type of work for which the term of apprenticeship is not more than 3 years requests an apprentice from that apprenticeship program and an apprentice in the appropriate craft or type of work is not available, the contractor or subcontractor may utilize a person who graduated from the apprenticeship program in that craft or type of work within the 3 years immediately preceding the request from the contractor or subcontractor. Such a person:

(a) Shall be deemed an apprentice on the public work for the purposes of subsections 1 and 2.

(b) Shall be deemed a journeyman for all other purposes, including, without limitation, the payment of wages and benefits to a journeyman pursuant to the collective bargaining agreement.

6. A contractor or subcontractor engaged on a public work is not required to use an apprentice in a craft or type of work performed in a jurisdiction recognized by the State Apprenticeship Council as not having apprentices in that craft or type of work.

7. A contractor or subcontractor engaged on a public work shall maintain and provide to the Labor Commissioner any supporting documentation to show that the

1 contractor or subcontractor made a good faith effort to comply with subsection 1 or
2 2, as applicable, as determined by the Labor Commissioner. For purposes of this
3 subsection, a contractor or subcontractor:

4 (a) Makes a good faith effort to comply with subsection 1 or 2, as applicable, if
5 the contractor or subcontractor:

6 (1) Submits to the apprenticeship program, on the form prescribed by the
7 Labor Commissioner, a request for an apprentice ~~not earlier than 1401~~ **not earlier than 30 days**
8 before the contractor or subcontractor is scheduled to begin work on the public
9 work and not later than 5 days after the contractor or subcontractor actually begins
10 work on the public work.

11 (2) If the apprenticeship program does not provide an apprentice for the
12 appropriate apprenticed craft or type of work upon a request pursuant to
13 subparagraph (1), submits additional requests to the apprenticeship program, on the
14 form prescribed by the Labor Commissioner, at least once every 30 days during the
15 period that the contractor or subcontractor is working on the public work. If a
16 contractor or subcontractor does not work continuously on the public work, the
17 contractor or subcontractor shall submit an additional request each time that the
18 contractor or subcontractor resumes work on the public work ~~not earlier than 1401~~
19 **30 days** before the contractor or subcontractor is scheduled to resume work on the
20 public work and not later than 5 days after the contractor or subcontractor actually
21 resumes work on the public work. The requirement for the submission of an
22 additional request in this subparagraph does not apply whenever a contractor or
23 subcontractor has one or more apprentices employed for that apprenticed craft or
24 type of work.

25 (b) Does not make a good faith effort to comply with subsection 1 or 2, as
26 applicable, as determined by the Labor Commissioner, if the contractor or
27 subcontractor is required to enter into an apprenticeship agreement pursuant to
28 subsection 16 and refuses to do so.

29 8. The supporting documentation required pursuant to subsection 7 may
30 include, without limitation:

31 (a) Documentation of the submission by the contractor or subcontractor of one
32 or more requests, as applicable, pursuant to subsection 7; and

33 (b) Documentation that the apprenticeship program denied such a request, did
34 not respond to such a request or responded that the program was unable to provide
35 the requested apprentice.

36 9. The contractor or subcontractor and the apprenticeship program shall
37 coordinate the starting date for any apprentice provided by the program.

38 10. On or before February 15 of each year, a contractor or subcontractor
39 engaged in vertical or horizontal construction, as applicable, who employs a worker
40 on one or more public works pursuant to NRS 338.040 shall report to the Labor
41 Commissioner, on the form prescribed by the Labor Commissioner, the following
42 information regarding those public works for the previous calendar year:

43 (a) For each apprenticed craft or type of work, the total number of hours
44 worked on vertical construction.

45 (b) For each apprenticed craft or type of work, the total number of hours
46 worked on horizontal construction.

47 (c) For each apprenticed craft or type of work, the total number of hours
48 worked by apprentices on vertical construction.

49 (d) For each apprenticed craft or type of work, the total number of hours
50 worked by apprentices on horizontal construction.

51 (e) For each apprenticed craft or type of work, the percentage of the total
52 number of hours worked on vertical construction that were worked by apprentices.

1 (f) For each apprenticed craft or type of work, the percentage of the total
2 number of hours worked on horizontal construction that were worked by
3 apprentices.

4 11. The information required to be reported pursuant to subsection 10 must
5 not include any identifying information about ~~fa public work or~~ an apprentice or
6 employee.

7 12. If the Labor Commissioner, on his or her own initiative or based on a
8 complaint, makes a determination based on the information submitted pursuant to
9 subsection 10 that a contractor or subcontractor did not make a good faith effort to
10 comply with the provisions of subsection 1 or 2, as applicable, the Labor
11 Commissioner shall notify the contractor or subcontractor in writing of the
12 determination and:

13 (a) Except as otherwise provided in paragraph (b), shall assess a penalty as
14 follows:

15 (1) If the apprentice utilization rate by the contractor or subcontractor on
16 vertical construction of a public work is:

17 (I) Seven and one-half percent or more but less than 10 percent of the
18 total hours of labor worked for an apprenticed craft or type of work, a penalty of
19 \$2,500 or \$2 for each hour below the percentage required, whichever is higher.

20 (II) More than 4 percent but less than 7.5 percent of the total hours of
21 labor worked for an apprenticed craft or type of work, a penalty of \$3,000 or \$4 for
22 each hour below the percentage required, whichever is higher.

23 (III) Four percent or less of the total hours of labor worked for an
24 apprenticed craft or type of work, a penalty of \$5,000 or \$6 for each hour below the
25 percentage required, whichever is higher.

26 (2) If the apprentice utilization rate by the contractor or subcontractor on
27 horizontal construction of a public work is:

28 (I) Two percent or more but less than 3 percent of the total hours of
29 labor worked for an apprenticed craft or type of work, a penalty of \$2,500 or \$2 for
30 each hour below the percentage required, whichever is higher.

31 (II) More than 1 percent but less than 2 percent of the total hours of
32 labor worked for an apprenticed craft or type of work, a penalty of \$3,000 or \$4 for
33 each hour below the percentage required, whichever is higher.

34 (III) One percent or less of the total hours of labor worked for an
35 apprenticed craft or type of work, a penalty of \$5,000 or \$6 for each hour below the
36 percentage required, whichever is higher.

37 (b) Shall not assess a penalty if the total number of hours of labor required to
38 be worked by apprentices:

39 (1) On vertical construction pursuant to subsection 1, as applicable, during
40 the previous calendar year is less than 40 hours.

41 (2) On horizontal construction pursuant to subsection 2, as applicable,
42 during the previous calendar year is less than 24 hours.

43 13. Except for good cause, the Labor Commissioner may not initiate his or
44 her own investigation or accept a complaint based on the information submitted by
45 a contractor or subcontractor pursuant to subsection 10 after May 1 immediately
46 following the date on which the report was received by the Labor Commissioner.

47 14. In addition to the penalties set forth in subsection 12, if the Labor
48 Commissioner, on his or her own initiative or based on a complaint, makes a
49 determination that a contractor or subcontractor did not submit the report required
50 pursuant to subsection 10 or made no attempt to comply with the provisions of
51 subsection 1 or 2, as applicable, the Labor Commissioner shall:

52 (a) Impose a penalty of not less than \$10,000 but not more than \$75,000; or

(b) Disqualify the contractor or subcontractor from being awarded a contract for a public work for at least 180 days but not more than 2 years.

15. A contractor or subcontractor may request a hearing on the determination of the Labor Commissioner pursuant to subsection 12 or 14 within 10 days after receipt of the determination of the Labor Commissioner. The hearing must be conducted in accordance with regulations adopted by the Labor Commissioner. If the Labor Commissioner does not receive a request for a hearing pursuant to this subsection, the determination of the Labor Commissioner is a final decision for the purposes of judicial review pursuant to chapter 233B of NRS.

16. A contractor or subcontractor who is not a signatory to a collective bargaining agreement with the union sponsoring the apprenticeship program for an apprenticed craft or type of work engaged on a public work shall enter into an apprenticeship agreement for each apprentice required to be used in the construction of a public work.

17. As used in this section:

(a) "Apprentice" means a person enrolled in an apprenticeship program recognized by the State Apprenticeship Council.

(b) "Apprenticed craft or type of work" means a craft or type of work for which there is an existing apprenticeship program recognized by the State Apprenticeship Council.

(c) "Apprenticeship program" means an apprenticeship program recognized by the State Apprenticeship Council.

(d) "Journeyman" has the meaning ascribed to it in NRS 624.260.

(e) "State Apprenticeship Council" means the State Apprenticeship Council created by NRS 610.030.

Sec. 2. NRS 338.013 is hereby amended to read as follows:

338.013 1. A public body that undertakes a public work shall request from the Labor Commissioner ~~to and include in any advertisement or other type of solicitation~~ an identifying number with a designation of the work ~~to not less than 3 business days before any advertisement or other type of solicitation is published or made for the public work~~. That number must be included in any ~~such advertisement or solicitation or any bid or other document submitted in response to~~ the advertisement or ~~other type of~~ solicitation.

2. Each public body which awards a contract for any public work shall report its award to the Labor Commissioner within 10 days after the award, giving the name and address of the contractor to whom the public body awarded the contract and the identifying number for the public work.

3. Each contractor engaged on a public work shall report to the Labor Commissioner and the public body that awarded the contract the name and address of each subcontractor whom the contractor engages for work on the project within 10 days after the subcontractor commences work on the contract and the identifying number for the public work.

4. The public body which awarded the contract shall report the completion of all work performed under the contract to the Labor Commissioner before the final payment of money due the contractor by the public body.

5. *If a public body fails to comply with subsection 2 or 4, the Labor Commissioner may impose against the public body a penalty of \$50 for each calendar day or portion thereof that the public body is not in compliance.*

Sec. 3. (Deleted by amendment.)

Sec. 4. NRS 338.017 is hereby amended to read as follows:

338.017 1. If any administrative penalty is imposed pursuant to this chapter against a ~~person~~ contractor or subcontractor for the commission of an offense, ~~that person,~~ the Labor Commissioner may ~~take the following actions against~~

disqualify the contractor or subcontractor and the corporate officers, if any, of ~~that person, may not be awarded a contract for a public work; the contractor or subcontractor ~~is~~ from being awarded a contract for a public work or entering into a contract to perform work on a public work;~~

(a) ~~For issuance of a warning for the first offense ~~is~~, for a period of up to 180 days after the date of the imposition of the administrative penalty;~~

(b) ~~Disqualify the contractor or subcontractor and any corporate officers thereof from being awarded a contract for a public work or entering into a contract to perform work on a public work, as applicable;~~

~~(4)~~ For the second offense, for a period of up to 3 years but not less than 180 days after the date of the imposition of the administrative penalty; ~~and~~

~~(b) (2)~~ (c) For the third offense, for a period of ~~14 years~~ up to 5 years but not less than 3 years after the date of the imposition of the administrative penalty;

~~and~~ ~~(3)~~ (d) For the ~~second~~ fourth or subsequent offense, for a period of not less than 5 ~~is~~ years after the date of the imposition of the administrative penalty.

2. A person, and the corporate officers, if any, of that person, who is identified in the System for Award Management Exclusions operated by the General Services Administration as being excluded from receiving contracts from the Federal Government pursuant to 48 C.F.R. §§ 9.400 et seq. as a result of being debarred may not be awarded a contract for a public work for the period of debarment of the contractor from receiving contracts from the Federal Government.

3. The Labor Commissioner, upon learning that a contractor has been excluded from receiving contracts from the Federal Government pursuant to 48 C.F.R. §§ 9.400 et seq. as a result of being debarred, shall disqualify the contractor from being awarded a contract for a public work as provided in subsection 2.

4. The Labor Commissioner shall notify the State Contractors' Board of each contractor or subcontractor who is ~~prohibited or~~ disqualified from being awarded a contract for a public work pursuant to this section.

Sec. 5. NRS 338.070 is hereby amended to read as follows:

338.070 1. Any public body awarding a contract shall ~~is~~, within 90 days after substantial completion of the contract:

(a) Investigate possible violations of the provisions of NRS 338.010 to 338.090, inclusive, committed in the course of the execution of the contract, and determine whether a violation has been committed and inform the Labor Commissioner of any such violations; ~~is~~ or

(b) Refer a possible violation of the provisions of NRS 338.010 to 338.090, inclusive, to the Public Works Compliance Division in the Office of Labor Commissioner. Such a referral must be made on a form prescribed by the Labor Commissioner.

2. ~~When~~ Except as otherwise provided in this subsection, when making payments to the contractor engaged on the public work of money becoming due under the contract, a public body shall withhold and retain all sums forfeited pursuant to the provisions of NRS 338.010 to 338.090, inclusive.

~~2.~~ No sum may be withheld, retained or forfeited, except from the final payment, without a full investigation being made by the awarding public body ~~is~~ or the Public Works Compliance Division pursuant to section 7 of this act.

3. Except as otherwise provided in subsection 7, it is lawful for any contractor engaged on a public work to withhold from any subcontractor engaged on the public work sufficient sums to cover any penalties withheld from the contractor by the awarding public body on account of the failure of the subcontractor to comply with the terms of NRS 338.010 to 338.090, inclusive. If payment has already been

made to the subcontractor, the contractor may recover from the subcontractor the amount of the penalty or forfeiture in a suit at law.

4. A contractor engaged on a public work and each subcontractor engaged on the public work shall:

(a) Inquire of each worker employed by the contractor or subcontractor in connection with the public work:

- (1) Whether the worker wishes to specify voluntarily his or her gender; and
- (2) Whether the worker wishes to specify voluntarily his or her ethnicity;

and
(b) For each response the contractor or subcontractor receives pursuant to paragraph (a):

(1) If the worker chose voluntarily to specify his or her gender or ethnicity, or both, record the worker's responses; and

(2) If the worker declined to specify his or her gender or ethnicity, or both, record that the worker declined to specify such information.

↪ A contractor or subcontractor shall not compel or coerce a worker to specify his or her gender or ethnicity and shall not penalize or otherwise take any adverse action against a worker who declines to specify his or her gender or ethnicity. Before inquiring as to whether a worker wishes to specify voluntarily his or her gender or ethnicity, the applicable contractor or subcontractor must inform the worker that such information, if provided, will be open to public inspection as set forth in subsection 6.

5. A contractor engaged on a public work and each subcontractor engaged on the public work shall keep or cause to be kept:

(a) An accurate record showing, for each worker employed by the contractor or subcontractor in connection with the public work:

- (1) The name of the worker;
- (2) The occupation of the worker;
- (3) The gender of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information;
- (4) The ethnicity of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information;
- (5) If the worker has a driver's license or identification card, an indication of the state or other jurisdiction that issued the license or card; and

(b) The actual per diem, wages and benefits paid to the worker; and
(b) An additional accurate record showing, for each worker employed by the contractor or subcontractor in connection with the public work who has a driver's license or identification card:

- (1) The name of the worker;
- (2) The driver's license number or identification card number of the worker; and

(3) The state or other jurisdiction that issued the license or card.

6. The records maintained pursuant to subsection 5 must be open at all reasonable hours to the inspection of the public body awarding the contract. The contractor engaged on the public work or subcontractor engaged on the public work shall ensure that a copy of each record for each calendar month is received by the public body awarding the contract no later than 15 days after the end of the month. The copy of the record maintained pursuant to paragraph (a) of subsection 5 must be open to public inspection as provided in NRS 239.010. The copy of the record maintained pursuant to paragraph (b) of subsection 5 is confidential and not open to public inspection. The records in the possession of the public body awarding the

contract may be discarded by the public body 2 years after final payment is made by the public body for the public work. The Labor Commissioner shall adopt regulations authorizing and prescribing the procedures for the electronic filing of the copies of the records required to be provided monthly by a contractor or subcontractor to a public body pursuant to this subsection.

7. A contractor engaged on a public work shall not withhold from a subcontractor engaged on the public work the sums necessary to cover any penalties provided pursuant to subsection 3 of NRS 338.060 that may be withheld from the contractor by the public body awarding the contract because the public body did not receive a copy of the record maintained by the subcontractor pursuant to subsection 5 for a calendar month by the time specified in subsection 6 if:

(a) The subcontractor provided to the contractor, for submission to the public body by the contractor, a copy of the record not later than the later of:

(1) Ten days after the end of the month; or

(2) A date agreed upon by the contractor and subcontractor; and

(b) The contractor failed to submit the copy of the record to the public body by the time specified in subsection 6.

Nothing in this subsection prohibits a subcontractor from submitting a copy of a record for a calendar month directly to the public body by the time specified in subsection 6.

8. Any contractor or subcontractor, or agent or representative thereof, performing work for a public work who neglects to comply with the provisions of this section is guilty of a misdemeanor.

9. *If the Labor Commissioner finds that a public body has failed to comply with the requirements of subsection 1, the Labor Commissioner may impose against the public body:*

(a) *A fee of \$1,000 for each contractor or subcontractor found to be in violation of the provisions of NRS 338.010 to 338.090, inclusive, on the public work; and*

(b) *An administrative penalty of \$2,000 for each contractor or subcontractor found to be in violation of the provisions of NRS 338.010 to 338.090, inclusive, on the public work.*

10. *A public body shall not withhold from a contractor or subcontractor engaged on a public work any amount due to the contractor or subcontractor in order to recover any fee or penalty assessed by the Labor Commissioner pursuant to subsection 9.*

11. *As used in this section, "substantial completion" means that the construction of a public work is, in accordance with the contract documents, sufficiently complete that the owner can occupy and use the public work as intended.*

Sec. 6. (Deleted by amendment.)

Sec. 7. Chapter 607 of NRS is hereby amended by adding thereto a new section to read as follows:

The Public Works Compliance Division shall:

1. *At the direction of the Labor Commissioner or upon receipt of a referral made by a public body pursuant to NRS 338.070:*

(a) *Investigate possible violations of the provisions of NRS 338.010 to 338.090, inclusive; and*

(b) *Submit to the Labor Commissioner a written report concerning an investigation conducted pursuant to paragraph (a). If the investigation was conducted pursuant to a referral made by a public body pursuant to NRS 338.070, a copy of the report must be provided to the public body.*

1
2 **2. Perform any other duties related to the enforcement of NRS 338.010 to**
3 **338.130, inclusive, as directed by the Labor Commissioner.**

4 Sec. 8. NRS 607.010 is hereby amended to read as follows:

5 607.010 The Office of Labor Commissioner is hereby created. ***The Office***
6 ***consists of the Labor Commissioner and the Public Works Compliance Division.***

7 Sec. 9. NRS 607.060 is hereby amended to read as follows:

8 607.060 The Labor Commissioner may employ:

9 1. One Chief Assistant, who is in the unclassified service of the State.

10 2. Stenographic, clerical and statistical assistance.

11 **3. Any personnel necessary to carry out the duties of the Public Works**
12 ***Compliance Division.***

13 Sec. 10. NRS 607.130 is hereby amended to read as follows:

14 607.130 Upon the written request of the ***Office of Labor Commissioner***, all
15 state and county officers shall furnish all information in their power necessary to
16 assist in carrying out the objects of this chapter.

17 Sec. 11. 1. This section becomes effective upon passage and approval.

18 2. Sections 1 to 10, inclusive, of this act become effective:

19 (a) Upon passage and approval for the purpose of adopting any regulations and
20 performing any other preparatory administrative tasks that are necessary to carry
21 out the provisions of this act; and

(b) On January 1, 2026, for all other purposes.