## 2005 SESSION (73rd)

### Amendment No. 274

Assembly Amendment to Assembly Bill No. 287					(BDR 28-723)
Proposed by: Committee on Commerce and Labor					
Amendment Box:					
Resolves Conflicts with: N/A					
Amends:	Summary: Yes	Title: Yes	Preamble: No	Joint Sponsorship:	No Digest: Yes
ASSEMBLY ACTION Initi		Initial and Date	e   SENAT	SENATE ACTION Init	
Adopted 🗆 Lost 🗆			Add	opted 🛛 Lost 🗆	

Amend the bill as a whole by deleting section 1 and adding a new section designated section 1, following the enacting clause, to read as follows:

"Section 1. Chapter 338 of NRS is hereby amended by adding thereto a new section to read as

follows:

1. Except as otherwise provided in subsections 2, 3 and 5, every contract for a public work for

which the estimated cost is \$100,000 or more, and to which a public body of this State is a party,

must require a contractor or subcontractor who performs work under the contract to:

(a) Provide coverage under a bona fide health care plan for each workman who:

(1) The contractor or subcontractor employs to perform work under the contract; and

(2) Is deemed to be employed on the public work pursuant to NRS 338.040; and

#### SP/MSM

Date: 4/18/2005

A.B. No. 287—Requires contractors and subcontractors to provide bona fide health care plan for certain employees employed on public work.



(b) Pay the entire cost of the premiums or contributions for the coverage required to be provided pursuant to paragraph (a).

2. The requirement to provide coverage under a bona fide health care plan applies only to:

(a) The prime contractor for the construction of the public work; and

(b) Each subcontractor who will provide labor or a portion of the work on the public work to the prime contractor, for which the subcontractor will be paid an amount exceeding 1 percent of the prime contractor's total bid or \$50,000, whichever is greater.

3. A workman who has obtained or receives health care coverage by way of another source, including, without limitation, through a benefit plan provided to the workman's spouse, may elect to decline the coverage otherwise required to be provided pursuant to this section by signing a written statement to that effect. If a workman declines coverage pursuant to this subsection, the contractor or subcontractor that employs the workman shall keep an accurate record of the declination as required by paragraph (b) of subsection 4 of NRS 338.070.

4. The coverage required to be provided under a bona fide health care plan pursuant to paragraph (a) of subsection 1 must be established before the commencement of work on the applicable public work and must be maintained for the entire period during which a workman is performing work under the contract for the public work.

5. In the event of a conflict between the provisions of this section and the provisions of a collective bargaining agreement, the provisions of the agreement prevail.

6. The Labor Commissioner shall, by regulation, establish the minimum standards for the coverage required to be provided under a bona fide health care plan pursuant to paragraph (a) of subsection 1.

7. For the purposes of this section, a contractor or subcontractor shall be deemed to be providing "coverage" to a workman under a bona fide health care plan if the contractor or subcontractor, as applicable, has enrolled the workman as a participant in a bona fide health care plan and has begun to pay the cost of the premiums or contributions for the workman to participate in that plan, regardless of whether the benefits that will be available to the workman under the plan have gone into effect.".

Amend sec. 4, page 4, by deleting lines 29 through 36 and inserting:

"4. A contractor engaged on a public work and each subcontractor engaged on the public work shall keep or cause to be kept an accurate record [showing the] of:

(*a*) *The* name, the occupation and the actual per diem, wages and benefits paid to each workman employed by the contractor [and] or subcontractor , *as applicable*, in connection with the public work [.]; *and* 

(b) If the public work is a public work for which the contractor or subcontractor is required to provide coverage under a bona fide health care plan pursuant to section 1 of this act:

(1) The benefits provided under that bona fide health care plan to each workman employed by the contractor or subcontractor in connection with the public work; and

(2) Each written statement pursuant to which a workman employed by the contractor or subcontractor in connection with the public work has declined coverage under that bona fide health care plan, as described in subsection 3 of section 1 of this act.".

Amend the title of the bill to read as follows:

"AN ACT relating to public works; requiring contractors and certain subcontractors to provide and maintain a bona fide health care plan for certain employees employed on certain public works projects; providing a penalty; and providing other matters properly relating thereto.".

Amend the summary of the bill to read as follows:

"SUMMARY—Requires contractors and certain subcontractors to provide bona fide health care plan for certain employees employed on certain public works. (BDR 28-723)".

# If this amendment is adopted, the Legislative Counsel's Digest will be changed to read as follows:

#### Legislative Counsel's Digest:

Existing law requires that contracts for public works to which a public body of this State is a party contain certain provisions expressly providing for the payment to mechanics and workmen of wages at least equal to the rate of wages then prevailing in the county in which the public work is located. (NRS 338.010-338.090) Existing law requires contractors and subcontractors to maintain records showing the per diem, wages and benefits paid to each workman who is employed by the contractor or subcontractor in connection with a public work, and provides for the imposition of civil and criminal penalties against contractors and subcontractors who fail to pay the required prevailing wage. (NRS 338.060, 338.070, 338.090)

This bill provides that certain contracts for public works for which the estimated cost is \$100,000 or more and to which a public body of this State is a party must require a contractor and certain subcontractors who perform work under the contract to provide coverage under a bona fide health care plan for a workman whom the contractor or subcontractor employs in connection with the public work, if the workman is deemed to be employed on the public work. This bill requires that the necessary coverage under a bona fide health care plan must begin before work commences on the public work and continue during the period in which a covered workman is performing work under the contract for the public work. A workman may refuse coverage under a bona fide health care plan under certain circumstances. The Labor Commissioner of the State of Nevada is charged with

adopting regulations establishing minimum standards for the coverage required to be provided under a bona fide health care plan.

This bill further provides that a contractor or subcontractor that fails to provide the required coverage is subject to civil and criminal penalties similar to those imposed for failure to pay to a workman the required prevailing wage.