

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	SB642
Version:	FA1
Request Number:	
Author:	Speaker Hilbert / PPT Paxton
Date:	4/30/2025
Impact:	State Budget: \$0

Research Analysis

The floor substitute for SB 642 allows a general contractor to provide workers' compensation insurance to a subcontractor and their employees through a written agreement. If the subcontractor has no employees, the general contractor is considered their employer. The general contractor may deduct the insurance premium costs from the contract price or the subcontractor's pay.

The measure also increases the maximum permanent partial disability workers' compensation cap from \$360 to \$375 per week beginning July 1, 2025.

CHANGES IN FLOOR SUBSTITUTE FROM ENGROSSED VERSION:

The floor substitute clarifies that the legal protections limiting claims only apply to the general contractor. The substitute also modifies the weekly wage cap for an employee receiving workers' compensation for a permanent partial disability.

Prepared By: Autumn Mathews

Fiscal Analysis

The adoption of FA1 would not change the impact of the measure, which remains:

SB 642 in its current form is not anticipated to have a direct fiscal impact on the State Budget or State Revenues.

Prepared By: John McPhetridge, House Fiscal Director

Other Considerations

None.