

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	SB642
Version:	FA1-A2
Request Number:	
Author:	Speaker Hilbert
Date:	5/8/2025
Impact:	State Budget: \$0

Research Analysis

The second amendment to the floor substitute for SB 642 modifies the definition of *general contractor* to include anyone who owns, occupies, possesses, or controls a premises and contracts work on the premises. The amendment also clarifies the definition of *subcontractor* to mean anyone who performs work undertaken by a general contractor, regardless of whether their services are contracted directly by the general contractor or obtained through another subcontractor. Lastly, the amendment adds appropriate statutory references to relevant subsections.

SB 642, as amended, 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.

Prepared By: Autumn Mathews

Fiscal Analysis

The adoption of the second amendment to 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.