

**Bill Summary**  
1<sup>st</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 642</b>
<b>Version:</b>	<b>CCR</b>
<b>Request No.:</b>	<b>2121</b>
<b>Author:</b>	<b>Sen. Paxton</b>
<b>Date:</b>	<b>05/20/2025</b>

**Bill Analysis**

SB 642 clarifies that nothing in the Administrative Workers' Compensation Act shall affect any provision in an executed contract that requires the employer or prime contractor of the employer, to indemnify, defend, or hold harmless another person or entity against liability for an injury, illness, or death of an employee. The measure provides that a general contractor and subcontractor may enter into a written agreement under which the general contractor provides workers' compensation insurance coverage to the subcontractor as well as his or her employees. If the subcontractor does not have employees, the subcontractor shall be treated as an employee of the contractor for the purposes of the Administrative Workers' Compensation Act. The measure provides for the actual premiums to be deducted from the contract price or other amount owed to the subcontractor by the general contractor. A person who performs work or provides a service for an oil or gas well operator shall not be entitled to coverage under the general contractor's workers' compensation insurance policy unless the independent subcontractor and the general contractor enter into an agreement. The measure specifies that a subcontractor or subcontractor's employee retains the right to recover from another subcontractor or subcontractor's employee. The measure also increases the maximum weekly compensation paid to workers who have a temporary total disability from \$360.00 per week to \$375.00 per week beginning July 1, 2025.

**CCR Changes**

The Conference Committee Report for SB 642 adds language providing for an increase in the maximum weekly compensation paid and specifies that a subcontractor shall retain the right to recover from another subcontractor or subcontractor's employee.

Prepared by: Kalen Taylor