

Agreement between general contractor and subcontractor to establish independent relationship

Este formulario está disponible en español en el sitio web de la División en www.tdi.texas.gov/forms/form20numeric.html.

Para obtener asistencia en español, llame a la División al 800-252-7031.

Part 1. Agreement

1. Type of agreement	2. Estimated number of employees	
☐ Blanket agreement <i>or</i>	affected	
☐ Job-site specific agreement		
3. Agreement start date (mm/dd/yyyy)	4. Agreement end date (mm/dd/yyyy)	
Location of job sites affected (Each affected job site must be identified for job-site specific agreements.)		
5. Address (street or PO box, city, state, ZIP code)		
6. Address (street or PO box, city, state, ZIP code)		
7. Address (street or PO box, city, state, ZIP code)		

Part 2. The general contractor must complete this part.

8. General contractor name	9. Federal tax ID number
10. Address (street or PO box, city, state, ZIP code)	11. Email

12. General contractor's affirmation

I declare that the:

- subcontractor meets the qualifications of and is operating as an independent contractor under Texas Labor Code Section 406.121;
- subcontractor assumes the responsibility of an employer for the performance of work; and
- subcontractor's employees are not my employees for the purposes of workers' compensation insurance coverage.

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Attach a sheet with additional locations if needed.

13. Signature of general contractor	14. Date of signature (mm/dd/yyyy)

Part 3. The subcontractor must complete this part.

15. Subcontractor name	16. Federal tax ID number
17. Address (street or PO box, city, state, ZIP code)	18. Email

19. Subcontractor's affirmation

I declare that I:

- meet the qualifications of and operate as an independent contractor under Texas Labor Code Section 406.121;
- assume the responsibility of an employer for the performance of work; and
- my employees are not employees of the general contractor for the purposes of workers' compensation insurance coverage.

20. Signature of subcontractor	21. Date of signature (mm/dd/yyyy)

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FAQ

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Who may use this agreement?

Texas Labor Code Section 406.122(b)(2) allows some general contractors and subcontractors to agree that the subcontractor assumes the responsibilities of an employer for the performance of work.

Who is an independent contractor?

Texas Labor Code Section 406.121(2) defines an independent contractor as a person who contracts to perform work or provide a service for the benefit of another, and who ordinarily:

- acts as the employer of any employee of the contractor by paying wages, directing activities, and performing other similar functions characteristic of an employer-employee relationship;
- is free to determine the manner in which they perform the service including the hours of labor or method of payment to any employee;
- is required to furnish or have employees, if any, furnish necessary tools, supplies, or materials to provide the work or service; and
- possesses the skills required for the specific work or service.

How do I know if I should sign this agreement?

You may want to talk to an attorney if you are not sure if all parties meet the requirements to enter into this agreement.

When does the agreement take effect?

The agreement takes effect on the date both parties have signed it or on the start date of the agreement, whichever is later.

Where should I send this agreement?

The general contractor must file a legible and complete copy of this agreement with their workers' compensation insurance carrier within 10 days after signing the agreement. The general contractor must keep the original. The subcontractor should also keep a copy. If the general contractor changes workers' compensation insurance carriers during the effective dates of the agreement, they should file this form with their new insurance carrier.

Do not send a copy to the Texas Department of Insurance, Division of Workers' Compensation (DWC).

Note: With few exceptions, you are entitled to:

- be informed about the information DWC collects about you;
- receive and review the information (Government Code Sections 552.021 and 552.023); and
- have DWC correct information that is incorrect (Government Code Section 559.004).

For more information, contact <u>DWCLegalServices@tdi.texas.gov</u> or go to the Corrections Procedure section at <u>www.tdi.texas.gov</u>.

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