

TEXAS WORKERS' COMPENSATION
In accordance with
28 TAC 110.110
DIVISION OF TEXAS WORKERS' COMPENSATION
TEXAS DEPARTMENT OF INSURANCE

A. DEFINITIONS

Certificate of coverage (“certificate”) – A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84) showing statutory workers’ compensation insurance coverage for the persons’ or entity’s employees providing services on a project, for the duration of the project.

Duration of the project – includes the time from the beginning of the work on the project until the Contractor’s/person’s work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project (“subcontractor” in §406.096) – includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. “Services” include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. “Services” does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

- B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.
- C. The Contractor must provide a certificate of coverage to the City prior to being awarded the Contract.
- D. If the coverage period shown on the Contractor’s current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the City showing that the coverage has been extended.

- E. The Contractor shall obtain from each person providing services on the project, and provide to the City:
 - 1. A certificate of coverage, prior to that person beginning work on the project, so the City will have on file certificates of coverage showing coverage for all persons providing services on the project; and
 - 2. No later than seven days (7 D) after the receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.

- F. The Contractor shall retain all required certificates of coverage on file for the duration of the project and for one year (1 Yr) thereafter.

- G. The Contractor shall notify the City in writing by certified mail or personal delivery, within ten days (10 D) after the Contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.

- H. The Contractor shall post on each project site a notice, in the text, form, and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify current coverage and report failure to provide coverage.

- I. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:
 - 1. Provide coverage, based on proper reporting classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code Section 401.011(44) for all employees providing services on the project, for the duration of the project;
 - 2. provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
 - 3. provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - 4. Obtain from each other person with whom it contracts, and provide to the Contractor:
 - (A) a certificate of coverage, prior to the other person beginning work on the project, and;
 - (B) a new certificate of coverage showing extension of the coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - 5. retain all required certificates of coverage on file for the duration of the project and for one year (1 Yr) thereafter;

6. notify the City in writing by certified mail or personal delivery, within ten days (10 D) after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
 7. contractually require each other person with whom it contracts, to perform as required by paragraphs (1) – (7), with certificates of coverage to be provided to the person for whom they are providing services.
- J. By signing this Contract or providing or causing to be provided a certificate of coverage, the Contractor is representing to the City that all employees of the Contractor who will provide services on this project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classifications codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.
- K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor which entitles the City to declare the contract void if the Contractor does not remedy this breach within ten days (10 D) after receipt of notice of breach from the City.

END OF SECTION