

The Club Contract

The Arizona State Legislature has recently enacted the Declaration of Independent Business Status law (*DIBS*), codified at A.R.S. § 23-1601, to help clarify who is an employee and who is an independent contractor. If you have a contract signed by your coaches and assistants with the following language, there is a legal rebuttable presumption that your coaches and assistants are indeed independent contractors.

The Contract Should Say:

- The coach or assistant is an independent contractor, not an employee;
- Is not entitled to unemployment benefits or any other right arising from an employment relationship;
- Is responsible for all tax liability associated with payments received from or through the Club; and
- Is responsible for maintaining any required registration, licenses or other authorization necessary to perform the services rendered. (E.g., coaching licenses and background clearances through AYSA & US Youth.)

The coach or assistant must also affirm at least six of the following 11 criteria:

- The coach or assistant is not insured under the Club's health insurance coverage or workers' compensation insurance coverage. (AYSA and not Club provides liability and medical)
- The coach or assistant has the right to accept or decline requests for services by or through the Club.
- The Club does not restrict the coach or assistant's ability to perform services for or through other parties. (E.g., coach or assistant may coach for a high school, ODP, another Club.)
- The Club expects that the coach or assistant provides services for other parties.
- The coach or assistant is not economically dependent on the services performed for the Club.
- The Club does not dictate the performance, methods or process the coach or assistant uses to perform services. (E.g., how to run training sessions, what warm ups and drills to run, who to play, where and when.)
- The Club has the right to impose quality standards or a deadline for completion of services performed, or both, but the coach or assistant is authorized to determine the days worked and the time periods of work. (Coaches are free to set own practice schedules within the parameters of available fields.)
- The coach or assistant will be paid by or through the Club based on the work the coach or assistant is contracted to perform and the Club is not providing the coach or assistant with a regular salary or any minimum, regular payment.
- The coach or assistant is responsible for providing and maintaining all tools and equipment required to perform the services performed. (balls, cones, vests, pop up goals, ropes etc/City & County provide fields and most goals not the Club.)
- The coach or assistant is responsible for all expenses incurred in performing the services.
- In addition, the coach or assistant must acknowledge that the terms set forth in the contract apply to the coach or assistant's employees and independent contractors. (E.g., if coach selects and hires assistants to work for her.)