



# Alaska State Legislature

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**Sponsor:** Senator Ralph Seekins  
**Current Version:** CSSB 323 (JUD) am H  
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**Date:** May 10, 2004

## Fact Sheet for: Senate Bill 323

**Short Title:** Workers' Compensation And Contractors

### Summary:

- Revises the Workers' Compensation Act as it applies to contractors and subcontractors. The two principal modifications are as follows:
  1. Extends responsibility for payment of workers' compensation up the chain of contracts to include project owners.
  2. Bars injured parties who are receiving benefits under the Workers' Compensation Act from "double dipping" via a tort liability claim.

### Benefits:

- Extends the responsibility for ensuring workers' compensation coverage up the chain of contracts to the project owner.
- Protects project owners against tort action taken by down-chain employees who have already availed themselves of benefits provided under the Workers' Compensation Act.
- Promotes an integrated approach along the chain of contracts regarding work site safety.

### Background:

By law employers are required to obtain workers' compensation insurance. This type of insurance provides benefits to employees injured during the scope of employment. Where an employment situation involves a chain of contracts, current law requires contractors — but not project owners — to secure this insurance, if the subcontractor has not already done so. Also, current law does not preclude the pursuit of tort action against project owners by employees who have already collected benefits under workers' compensation laws.