

**PROJECT OWNER STATUTE PREVENTS EMPLOYEE
OF SUBCONTRACTOR FROM SUING OWNER OF
PROJECT FOR INJURIES RECEIVED WHILE
WORKING ON THE PROJECT.**

Anderson was employed by Doyon Universal Services, a contractor for Alyeska Pipeline Services, at Pump Station 5 on the Trans-Alaska Pipeline. As part of the contract, Alyeska provided workers' compensation insurance for the Doyon employees. Anderson was injured when a table owned by Alyeska, which had been propped against a wall, fell on her, resulting in injuries to Anderson. Anderson received workers' compensation benefits and sued Alyeska for negligence. The

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Alaska Supreme Court found that Alyeska was a project owner under AS 23.30.045. Under AS 23.30.045, a project owner is liable for payment of workers' compensation insurance if a contractor of the owner does not pay the insurance. The court further found that since Alyeska was a project owner, Alyeska was immune from suit under AS 23.30.055 and Anderson's sole remedy was workers' compensation. Under these statutes, the court stated that Anderson "posed difficult hypothetical examples about the potential workers' compensation liability of small business owners that use contractors to carry out functions extraneous to their businesses."

Anderson v. Alyeska Pipeline Service Co., 234 P.3d 1282 (Alaska 2010).

Legislative review is not recommended as the court appears to have correctly applied the statute. The legislature may wish to address the "difficult" hypothetical examples that were presented in the case related to small business owners that use contractors to carry out functions extraneous to their businesses. If these small business owners are project owners, they may be liable for the workers' compensation premiums of their contractors employees under the statute.