

ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE

March 20, 2008

1:39 p.m.

MEMBERS PRESENT

Senator Johnny Ellis, Chair
Senator Gary Stevens, Vice Chair
Senator Bettye Davis
Senator Con Bunde

MEMBERS ABSENT

Senator Lyman Hoffman

COMMITTEE CALENDAR

SENATE BILL NO. 263

"An Act relating to the State Board of Registration for Architects, Engineers, and Land Surveyors; and relating to an exemption for persons certified by the National Institute for Certification in Engineering Technologies who are engaged in the design of fire detection and suppression systems from registration as architects, engineers, land surveyors, or landscape architects."

MOVED CSSB 263(L&C) OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 320(FIN)

"An Act relating to search and rescue training and search and rescue parties; requiring certain search and rescue volunteers to be considered state employees for purposes of workers' compensation coverage; and allowing political subdivisions to elect to provide workers' compensation insurance coverage for search and rescue personnel."

HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 263

SHORT TITLE: ARCHITECTS, ENGRS, SURVEYORS BD/EXEMPTION

SPONSOR(S): SENATOR(S) THOMAS

02/08/08	(S)	READ THE FIRST TIME - REFERRALS
02/08/08	(S)	L&C
03/18/08	(S)	L&C AT 1:30 PM BELTZ 211
03/18/08	(S)	Heard & Held

03/18/08 (S) MINUTE(L&C)
03/20/08 (S) L&C AT 1:30 PM BELTZ 211

BILL: HB 320

SHORT TITLE: SEARCH & RESCUE: CERTIFICATION/WORK.COMP

SPONSOR(S): REPRESENTATIVE(S) MEYER

01/15/08 (H) READ THE FIRST TIME - REFERRALS
01/15/08 (H) L&C, FIN
01/28/08 (H) L&C AT 3:00 PM CAPITOL 17
01/28/08 (H) Heard & Held
01/28/08 (H) MINUTE(L&C)
02/06/08 (H) L&C AT 3:00 PM CAPITOL 17
02/06/08 (H) Moved CSHB 320(L&C) Out of Committee
02/06/08 (H) MINUTE(L&C)
02/08/08 (H) L&C RPT CS(L&C) NT 5DP 1NR
02/08/08 (H) DP: GARDNER, BUCH, NEUMAN, RAMRAS,
OLSON
02/08/08 (H) NR: LEDOUX
02/18/08 (H) FIN AT 1:30 PM HOUSE FINANCE 519
02/18/08 (H) Moved CSHB 320(FIN) Out of Committee
02/18/08 (H) MINUTE(FIN)
02/19/08 (H) FIN RPT CS(FIN) NT 4DP 2NR 1AM
02/19/08 (H) DP: HAWKER, NELSON, THOMAS, MEYER
02/19/08 (H) NR: KELLY, STOLTZE
02/19/08 (H) AM: GARA
03/04/08 (H) TRANSMITTED TO (S)
03/04/08 (H) VERSION: CSHB 320(FIN)
03/05/08 (S) READ THE FIRST TIME - REFERRALS
03/05/08 (S) L&C, FIN
03/20/08 (S) L&C AT 1:30 PM BELTZ 211

WITNESS REGISTER

SENATOR THOMAS

Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Sponsor of SB 263.

MIKE PALOWSKI

Aide for Representative Meyer
Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Commented on HB 320 for the sponsor.

BRAD THOMPSON, Director
Division of Risk Management

Department of Commerce, Community & Economic Development (DCCED)
Juneau, AK

POSITION STATEMENT: Answered questions regarding HB 320.

CHARLES SPRINGER
Search and Rescue
No address provided

POSITION STATEMENT: Supported HB 320(FIN).

BILL ROMBERG, Vice Chair
Alaska Mountain Rescue
Anchorage, AK

POSITION STATEMENT: Supported CSHB 320(FIN).

LIEUTENANT RODNEY DIAL
Alaska State Troopers
Department of Public Safety (DPS)
Anchorage, AK

POSITION STATEMENT: Commented on HB 320

JERRY KIFFER
Ketchikan Volunteer Rescue Squad
Ketchikan, AK

POSITION STATEMENT: Supported HB 320.

NICK SZABO
Kodiak Island Search and Rescue
Kodiak, AK

POSITION STATEMENT: Supported HB 320.

PAUL LISANKIE, Director
Division of Workers' Compensation
Department of Labor and Workforce Development (DOLWD)
Juneau, AK

POSITION STATEMENT: Answered questions on HB 320.

ACTION NARRATIVE

CHAIR JOHNNY ELLIS called the Senate Labor and Commerce Standing Committee meeting to order at [1:39:39 PM](#). Present at the call to order were Senators Bunde, Davis and Ellis.

SB 263-ARCHITECTS, ENGRS, SURVEYORS BD/EXEMPTION

[1:40:18 PM](#)

CHAIR ELLIS announced SB 263 to be up for consideration. Before the committee was CSSB 263(L&C) 25-LS1457\C.

SENATOR THOMAS, sponsor of SB 263, said the CS has two minor changes. It allows appointment of a petroleum or chemical engineer if a mining engineer isn't available to serve. Section 2 exempts who designed fire detection or suppression systems from AS 08.48 if they are authorized to design fire detection or suppression systems by the Alaska Department of Public Safety, the entity that will register them now. He had received no opposition to the bill

[1:42:21 PM](#)

CHAIR ELLIS thanked him and said he would set it aside for a later hearing.

CSHB 320(FIN)-SEARCH & RESCUE: CERTIFICATION/WORK.COMP

[1:43:12 PM](#)

CHAIR ELLIS announced CSHB 320(FIN) to be up for consideration. He said it was the first hearing and he didn't plan to take action today.

[1:43:34 PM](#)

SENATOR STEVENS joined the committee.

[1:43:44 PM](#)

MIKE PALOWSKI, aide for Representative Meyer, sponsor of HB 320, said due to the Alaska's geographic distances the lack of manpower, the state has traditionally relied on volunteers to assist the Troopers in conducting search and rescue operations. The question has consistently been asked why fire fighting volunteers aren't covered with workers' compensation coverage - since the state does rely on them. They looked at what other state volunteers are given analogous coverage and one of the first discovered was volunteers assisting the Department of Military and Veterans Affairs on disaster relief. Other states provide workers' compensation coverage to such volunteers.

He said Representative Meyer believes that for these reasons it is important to provide workers' compensation coverage to these volunteers who participate in over 700 missions a year.

An amendment to Section 1 of the bill authorizes the commissioner of the Department of Public Safety (DPS) to conduct a training exercise for search and rescue volunteers.

A second amendment in Section 5 that was a compromise the bill's sponsor came to from working with the State Municipal League.

They found there are two levels of workers' compensation for search and rescue operations. The first and primary is run by the Troopers - the one the state has control over. The second was operations run by a municipality. The compromise they reached was that rather than the state forcing municipalities to provide coverage, it would allow municipalities to elect to provide coverage. This would put the impetus and onus on the local borough assemblies or the communities to decide what level of coverage they want to provide. The state will step up for its volunteers as described in Section 6:

While on a training mission operated in conjunction by the Troopers or a search and rescue mission overseen by the Troopers if a volunteer gets injured they will receive workers' compensation as a state employee as several other employee volunteers in statute are given coverage.

SENATOR BUNDE saw a fiscal note which he thought was expensive and asked how this will impact insurance rates.

[1:47:13 PM](#)

MR. PALOWSKI answered that Brad Thompson from the Division of Risk Assessment could speak to how those rates are calculated. He thought it was based on actual claim experience and in the last year has amounted to \$3,000. These are fairly competent volunteers and their risk of injury is fairly low.

SENATOR STEVENS said they can be covered under municipalities right now and asked how this bill changes that.

MR. PALOWSKI answered that it doesn't change the process; they are covered under boroughs. This adds search and rescue people to the list of people a borough can elect to provide coverage for (in Section 5).

SENATOR STEVENS referenced the sponsor statement that said municipalities are allowed to provide coverage to their volunteer fire department...but not to volunteers that perform search and rescue operations and asked if that was said because those volunteers were covered under the other portion of the bill.

MR. PALOWSKI responded that municipalities currently cannot provide workers' compensation coverage because search and rescue volunteers are not listed in the statute of volunteers they are

allowed to provide coverage to. A separate part of the bill allows the state to provide coverage for its own volunteers.

CHAIR ELLIS apologized for jumping around to different bills and went to SB 263.

SB 263-ARCHITECTS, ENGRS, SURVEYORS BD/EXEMPTION

[1:49:15 PM](#)

CHAIR ELLIS announced CSSB 263(L&C) to be back before the committee; there was no known opposition and the public hearing had been completed.

SENATOR BUNDE moved to report CSSB 263 (L&C) from committee with individual recommendations and attached fiscal note(s). There were no objections and it was so ordered.

CSHB 320(FIN)-SEARCH & RESCUE: CERTIFICATION/WORK.COMP

[1:50:22 PM](#)

CHAIR ELLIS announced CSHB 320(FIN) to be back before the committee.

[1:50:57 PM](#)

SENATOR BUNDE asked what the additional premiums would be.

BRAD THOMPSON, Director, Division of Risk Management, Department of Commerce, Community & Economic Development (DCCED), replied a typical premium is assessed on a per \$100 basis of the wage earned, but volunteers have no wage. The premium calculation for a volunteer fireman takes an assumed wage of \$2,000 and applies the same rate as would be applied to a paid fireman. It ends up being a couple of hundred dollars a year per fireman. He assumed a volunteer would get the same if any premium would be assessed. It's unclear whether a volunteer would actually be engaged by a municipality. The state, however, self insures so he has an indeterminate fiscal note, but the state already as a matter of practice provides protection to volunteers under service to the state for all of its agencies. Through a written agreement they provide almost as extensive a benefit to a volunteer. Only if there is a future claim would that cost be borne by Risk Management and be factored in the future year allocation from the department. It's an indeterminate amount, but it could be significant if there is a fatality. There have been none of those, only three smaller events.

[1:53:24 PM](#)

CHARLES SPRINGER, Search and Rescue, said the purpose behind the bill is to protect volunteers who put themselves and their families at risk.

[1:54:11 PM](#)

BILL ROMBERG, Vice Chair, Alaska Mountain Rescue, Anchorage, supported CSHB 320(FIN).

[1:55:43 PM](#)

LIEUTENANT RODNEY DIAL, State Troopers, Department of Public Safety (DPS), said this bill would make the department responsible for training volunteers and it would have to make sure it is appropriate and up to certain levels. Also volunteers need periodic inspections to make sure they are following the training. The department does not have enough money to do this.

[1:57:42 PM](#)

SENATOR BUNDE said he was led to believe they normally use a number of groups that train themselves. Does he want to start his own program?

LT. DIAL replied they don't want to see an environment where a weekend snow machine adventure counts for a training exercise. In the past they didn't have that oversight, but the bill now says they are responsible for authorizing that training. So it must be up to their standards. They don't want them to get hurt and don't want to pay for it if they do.

SENATOR BUNDE questioned the need to make the department responsible for the training.

[2:00:07 PM](#)

JERRY KIFFER, Ketchikan Volunteer Rescue Squad, supported HB 320. He said it is the largest leap forward in search in rescue that he has seen in Alaska in his 30 years of being a volunteer. He said the training throughout Alaska for volunteer professionals is truly top-notch. He would be negligent to send one of his volunteers on an authorized mission for the state and not have that person adequately trained. This, however, forces the search and rescue community to do its training with "absolutely no insurance coverage whatsoever." They have been in business since 1948 and have had three minor injuries, but that liability is out there. The new AS 23.30.246 section is very important to them and offered to help with the oversight. His people spend a minimum 100-150 hours a year just in training, and a lot of times it takes a lot of people to do even a simple operation.

[2:02:59 PM](#)

NICK SZABO, Kodiak Island Search and Rescue, supported HB 320. They are a volunteer organization that has a dog search team, a mountain rescue team and a ground search team. The teams train throughout the year and respond to calls from the Troopers and U.S. Coast Guard for activities such as lost hunters and hikers, field accidents and avalanche victims. Members conduct these activities at some risk of peril and receive no compensation. They deserve to have some protection for their livelihoods and families for the service they perform for the state.

SENATOR STEVENS asked how many incidents he responds to in a normal year.

MR. SZABO answered about 3 or 4 a year on the average.

SENATOR STEVENS said the work they do is necessary and important with so many hunters and hikers in the field.

CHAIR ELLIS asked Mr. Palowski to work on a CS.

SENATOR STEVENS asked if someone on search and rescue goes on to workers' compensation, how the actual compensation is determined.

MR. PALOWSKI suggested bringing Paul Lisankie to talk about the compensation.

[2:06:17 PM](#)

PAUL LISANKIE, Director, Division Of Workers' Compensation, Department of Labor and Workforce Development (DOLWD), said every year the department formulates an average weekly wage for the state so that is put in the compensation formula. In 2008 that would convert to \$499.58/week for a single person with no dependents; and \$547.27/week for a married person with four dependents. This bill would make the calculation easier, and it would be one less thing for the division to battle over.

[2:07:56 PM](#)

SENATOR BUNDE said it is absolutely fair for anyone participating in a rescue operation to be covered by workers' compensation, but search and rescue activities are also sometimes a hobby and he had concerns about troopers having to approve training for these groups. He was considering an amendment to take out that responsibility and asked what the sponsor would think.

2:11:17 PM

MR. PALOWSKI replied this issue had been discussed quite a bit and he thought people might misunderstand what Section 1 does. It allows the commissioner or his designee to conduct training, which is different than calling up a search operation. It doesn't preclude a group from performing training on their own. The search and rescue community originally asked for coverage during training they ran and in working with the DPS it was more that you start with coverage during the mission. Well, if the commissioner decides to bring these groups together and organize a training mission that is organized by the state, run by the state, the sponsor didn't believe that was really fundamentally any different than an active mission. So, there could be a bit of a disagreement between the sponsor's office and the troopers over how many of these training missions might actually be conducted in a given year. But at the same time, they understand there are more than 1,000 search and rescue volunteers in the state.

He suggested the committee talk to the DPS about the fiscal note, because he understood it would be a non-commissioned position so they wouldn't get into the issue of competing with hiring other troopers. The sponsor believes that the state relies on these volunteers to protect people in the back country, so he wanted to make sure the volunteer community is strong, that they are protected and well-trained and coordinated with the department. He said using volunteers saves the state a lot of money in terms of troopers who would be forced to do the same type of work.

LT. DIAL commented that the training these groups get is top notch and they don't have concerns with that, but unless they have some oversight he didn't see what would prevent two or more people from calling themselves a rescue group when they go out snow machining for a weekend. The groups need to be approved.

SENATOR BUNDE said he understood that volunteers are activated by the department, but he couldn't imagine the department would activate the two people who snow machine and drink beer and call themselves volunteers. Weren't they going to activate recognized search and rescue groups?

LT. DIAL replied that was correct.

SENATOR BUNDE noted that the department calls on several recognized groups for help, not just anyone who shows up and offers help.

LT. DIAL responded the concern is that it would stay the same regarding missions, but coverage would be extended to training and they have no involvement in training presently.

SENATOR BUNDE said that seems to be the problem.

[2:16:05 PM](#)

SENATOR STEVENS agreed this is a major issue.

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CHAIR ELLIS asked if Mr. Palowski had any other comments.

MR. PALOWSKI said he was willing to work with members on the strictness of the language in Section 1 and how it relates to Section 6.

CHAIR ELLIS said HB 320 would be held for further work.

SENATOR BUNDE said he wanted to emphasize how he supported people who are volunteering for the state getting workers' compensation.

SENATOR STEVENS said people should be covered when they are on a search and rescue mission and that the real issue seems to be the training exercise, and he wanted the department to authorize the training.

CHAIR ELLIS said there was no further business to come before the committee and adjourned the meeting at [2:18:53 PM](#).