

SENATE BILL NO. 128

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY SENATOR PASKVAN

Introduced: 2/27/09

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to requiring subcontractors who do not have employees and who are**
2 **acting as independent contractors to secure payment for workers' compensation, and**
3 **requiring subcontractors who fail to secure payment of workers' compensation to pay**
4 **additional premiums incurred by contractors because of that failure."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 *** Section 1.** AS 23.30.045 is amended by adding new subsections to read:

7 (g) A subcontractor who is hired by a contractor as an independent contractor
8 and who has no employees during the term of the contract is liable for and shall secure
9 the payment of compensation payable under AS 23.30.041, 23.30.050, 23.30.095,
10 23.30.145, and 23.30.180 - 23.30.215 that provides coverage for the subcontractor. If

11 (1) the subcontractor fails to secure the payment of compensation
12 required by this subsection, the contractor is liable for and shall secure the payment of
13 the compensation for the subcontractor;

14 (2) the contractor fails to secure the payment of compensation for the

1 subcontractor required by (1) of this subsection, the project owner is liable for and
2 shall secure the payment of the compensation required by this subsection.

3 (h) If a subcontractor fails to secure the payment required under (a) or (g) of
4 this section and the contractor becomes liable for an additional premium because of
5 the subcontractor's failure to secure payment, the subcontractor is liable to the
6 contractor for the amount of the additional premium.