

**HB**

**221**

# SENATE COMMITTEE REPORT

DATE: 4/13/93

FURTHER: L&C

DATE TURNED INTO OFFICE: \_\_\_\_\_

CRA Committee considered HOUSE BILL NO. 221

"An Act relating to workers' compensation for volunteer ambulance attendants, police officers, and fire fighters; and providing for an effective date."

and recommends:

- replace with \_\_\_\_\_ CS \_\_\_\_\_ ( )
- or  adopt previous \_\_\_\_\_ CS \_\_\_\_\_ ( )
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

**NEW FISCAL NOTES**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTES**

Department	Date	Zero	Fiscal
DOL	3/16/93	0	
DDA	3/18/93	0	

Appropriation No Fiscal Note

NO PASS:

*Robin L. Taylor*  
 \_\_\_\_\_  
*John A. Zbaroff*  
 \_\_\_\_\_  
*Loren A. Helman*  
 \_\_\_\_\_

OTHER RECOMMENDATIONS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*Reed E. Allen, D. Pass*

Chair, Signature and Recommendation

**DIVISION OF LEGAL SERVICES**

**LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA**

(907) 465-3867 or 465-2450

FAX (907) 465-2029

Mail Stop 3101

130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

MEMORANDUM

March 22, 1993

**SUBJECT:** Sectional Summary of HB 221

**TO:** Representative Bill Hudson

**FROM:** Michael F. Ford *M.F.*  
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Provides that for purposes of calculating the compensation paid to a volunteer ambulance attendant, police officer, or fire fighter, the person would receive workers' compensation benefits equal to that paid a full-time employee where the injury occurred or equal to the amount that the person would receive based on earnings in their regular employment, whichever is higher.

Section 2. Provides that a person who is injured while performing service as a volunteer ambulance attendant, police officer, or fire fighter, is for purposes of workers' compensation benefits considered an employee of the municipality in which the person performs the volunteer service, if the person is not already covered by insurance.

Section 3. Repeals a provision of law allowing a municipality to elect to extend coverage to volunteer ambulance attendants, police officers, or fire fighters.

Section 4. Effective date.

MFF:gc  
93-251.glc

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO : HB 221

Revision Date: \_\_\_\_\_  
 Title: Workers' Compensation :  
Volunteer Fire Fighters, Etc  
 Sponsor: Representatives Hudson, Grussendorf  
 Requestor: House Community & Regional Affairs

Department Affected: Labor  
 BRU: Workers' Compensation  
 Component: \_\_\_\_\_  
Workers' Compensation  
 COMPONENT SERIAL NO. 344

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
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**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

**ANALYSIS:** (Attach a separate page if necessary)

Prepared by: Paul B. Arnoldt, Director *Paul B. Arnoldt* Phone: 465-2790  
 Division: Workers' Compensation Date: 3/16/93

Approved by Commissioner: Charles W. Mahler *Charles W. Mahler*  
 Agency: Department of Labor Date: 3/16/93

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FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. HB 221

Revision Date: \_\_\_\_\_  
Title: 'An Act relating to workers' compensation for volunteer ambulance attendants, police officers and fire fighters.'  
Sponsor: Hudson  
Requestor: \_\_\_\_\_

Department Affected: Administration  
BRI: Risk Management  
Component: \_\_\_\_\_  
COMPONENT SERIAL NO. 0071

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)  
This bill would not affect Risk Management budget requirements.

Prepared by: Don Hitchcock, Director  
Division: Risk Management

Phone: (907) 465-2180  
Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usura  
Agency: Administration

Date: 3/18/93

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# Alaska State Legislature

APR 14 1993

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REPRESENTATIVE BILL HUDSON

State Capitol  
Juneau, Alaska  
99801-1182  
(907) 465-3744

## MEMORANDUM

April 14, 1993

**TO:** Representative Randy Phillips, Chair  
Community and Regional Affairs Committee

**FROM:** Representative Bill Hudson

**SUBJECT:** House Bill 221, "An Act relating to workers' compensation for volunteer ambulance attendants, police officers, and firefighters . . ."

House Bill 221 has passed the House and has been referred to your committee. This is to respectfully request you schedule this bill for a hearing at your earliest convenience.

House Bill 221 received a vote of 32 yeas, 2 nays, in the House and enjoys the support of fire fighters statewide. Attached you will find:

- \* Sponsor Statement
- \* Fiscal Note
- \* Sectional Analysis
- \* Alaska Statutes 23.30.092
- \* Alaska Workers' Compensation Board Ruling of 2/17/93
- \* Letters of Support

Please do not hesitate to call me or Lynda Giguere of my staff should you have any questions or desire more information.

Attachments



satisfactory proof that an employer is no longer entitled to it. After revocation the board may grant a new certificate to an employer, upon the employer's petition and satisfactory proof of the employer's financial ability as provided in this chapter. An employer authorized as a self-insurer shall provide claims facilities through its own staffed adjusting facilities located within the state, or independent, licensed, resident adjusters with power to effect settlement within the state. (§ 39 ch 193 SLA 1959; am § 1 ch 1 SLA 1962)

Collateral references. — 32 Am. Jur. 2d. Workers' Compensation. § 663.  
100 C.J.S., Workmen's Compensation. §§ 354-356.

Homeowners' or personal liability insurance as providing coverage for liability under workmen's compensation laws. 41 ALR3d 1306.

**Sec. 23.30.092. Volunteer ambulance attendants', police officers', and fire fighters' insurance.** A political subdivision may elect to provide benefits and compensation to its volunteer ambulance attendants, police officers, or fire fighters by obtaining insurance that would provide its volunteer ambulance attendants, police officers, or fire fighters with benefits and compensation at least equivalent to those conferred upon volunteer ambulance attendants, police officers, or fire fighters by this chapter, and the election shall be considered compliance with the coverage and insurance provisions of this chapter. The election shall be made by filing copies of the insurance policy or policies with the commissioner. (§ 3 ch 41 SLA 1968; am § 1 ch 77 SLA 1979)

Revisor's notes. — In 1989, the terms "police officers" and "fire fighters" were substituted for "policemen," and "firemen" in this section under §§ 59 and 60, ch. 50, SLA 1989.

**Sec. 23.30.095. Medical treatments, services, and examinations.** (a) The employer shall furnish medical, surgical, and other attendance or treatment, nurse and hospital service, medicine, crutches, and apparatus for the period which the nature of the injury or the process of recovery requires, not exceeding two years from and after the date of injury to the employee. However, if the condition requiring the treatment, apparatus, or medicine is a latent one, the two-year period runs from the time the employee has knowledge of the nature of the employee's disability and its relationship to the employment and after disablement. It shall be additionally provided that, if continued treatment or care or both beyond the two-year period is indicated, the injured employee has the right of review by the board. The board may authorize continued treatment or care or both as the process of recovery may require. When medical care is required, the injured employee may designate a licensed physician to provide all medical and related benefits. The employee may not make more than one change in the employee's choice of attending physician without

# ALASKA WORKERS' COMPENSATION BOARD

P.O. Box 25512



Juneau, Alaska 99802-5512

In the Matter of the Self-  
Insurance Certificate of  
  
THE CITY AND BOROUGH OF JUNEAU,  
ALASKA.

FILED with  
ALASKA WORKERS'

FEB 17 1993

COMPENSATION BOARD  
JUNEAU, ALASKA

We met in Juneau, Alaska on 4 February 1993 to consider a petition of the City and Borough of Juneau (CBJ) for an order extending coverage under the CBJ's Certificate of Self-Insurance to volunteer firemen. The CBJ is represented by attorney T.G. Batchelor. Ken Kareen, the CBJ Personnel Director testified at hearing. The Alaska Department of Labor, Workers' Compensation Division was represented by Self-Insurance Administrator Richard Austerman. We closed the record and concluded our deliberations on 4 February 1993.

The CBJ is a self-insured employer under the Alaska Workers' Compensation Act (AWCA)<sup>1</sup> and regulations promulgated

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<sup>1</sup> AS 23.30.075(a) provides in pertinent part: "An employer under this chapter, unless exempted, shall either insure and keep insured for the employer's liability under this chapter in an insurance company . . . or shall furnish the board satisfactory proof of the employer's financial ability to pay directly the compensation provided for."

AS 23.30.090 provides in pertinent part: "If an employer has complied with the provisions of this chapter relating to self-insurance, the board shall issue the employer a certificate which shall remain in force for a period fixed by the

thereunder at Chapter 46 of Title 8 of the Alaska Administrative Code (8 AAC 46).

The CBJ asserts that volunteer firemen<sup>2</sup> have workers' compensation coverage under AS 23.30.243(a) under certain circumstances, i.e., proceeding to or engaging in a fire suppression or rescue operation or the protection of life or property.<sup>3</sup> The CBJ asserts it is not clear what other types of activities are covered under the AWCA for the volunteer firemen.

By its petition, the CBJ seeks an order which would extend AWCA coverage to volunteer firemen under the CBJ self-insurance certificate, while engaged in "approved" training and community service activities. At hearing, the CBJ informed us it wishes us to determine if we have any objection to their voluntarily providing coverage under its certificate of self-insurance.

#### FINDINGS OF FACT AND CONCLUSIONS OF LAW

AS 23.30.092 provides:

A political subdivision may elect to provide benefits and compensation to its volunteer . . . firemen by obtaining insurance which would provide its volunteer . . . firemen with benefits and compensation at least equivalent to those conferred upon volunteer . . . firemen by this chapter, and the election shall be considered compliance with the coverage and insurance provisions of this chapter. The election shall be made by filing copies of the

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board."

<sup>2</sup> AS 23.30.265(30) provides: "'volunteer fireman' means an individual whose name is registered with the state fire marshal as a member of a regularly organized volunteer fire department or who serves with a full-time fire department on a temporary, voluntary basis."

<sup>3</sup> AS 23.30.243 is quoted and discussed below.

insurance policy or policies with the commissioner.

AS 23.30.243(a) provides:

For the purpose of workers' compensation, any injury, disability or death incurred by a fireman by reason of the fireman's proceeding to or engaging in a fire suppression or rescue operation, or the protection or preservation of life or property, anywhere in the state is considered to have arisen out of and been sustained in the course of employment, and the fire department or regularly organized volunteer fire department of the fireman's primary employment or registration is considered to be the employer, except when the injured, at the time of injury or death, is acting for compensation from another.

AS 23.30.092 provides a procedure for the resolution of the CBJ's problem, i.e., purchasing workers' compensation insurance coverage for the volunteer firemen, and filing a copy of the insurance policy with the Commissioner of Labor. We assume the CBJ is aware of this option, and has declined to purchase such insurance due to the cost.

The question remains, can the CBJ cover its volunteer firemen under its self-insurance certificate? This issue has never been addressed by the AWCB. We have reviewed the AWCA and 8 AAC 46, the Self-Insurance regulations. We find nothing which prohibits the CBJ from electing to cover its volunteer firemen under its self-insurance certificate. We find nothing which leads us to believe that AS 23.30.092 was intended to require a municipality to purchase insurance as the exclusive method of insuring its volunteers for workers' compensation liability. Absent any specific language precluding it, we find it is permissible for the CBJ to self-insure workers' compensation liability for its volunteer firemen.

Concerning the specific terms of the coverage which the CBJ wishes to provide, and which we are asked to authorize, we find

In Re: CBJ Self-Insurance Certificate

nothing which prohibits the CBJ and volunteer firemen from entering into an agreement under which the CBJ agrees to provide workers' compensation coverage in accord 8 AAC 46 and the guidelines set out in the petition.<sup>4</sup> After doing so, the CBJ should notify the Self-Insurance Administrator. 8 AAC 46.100. It must, of course, also notify its excess insurance carrier as the change will effect the CBJ's exposure to liability for workers' compensation benefits. We find that the parameters of coverage the CBJ wishes to provide its volunteer fireman, including coverage during training, is a matter within its discretion, subject only to its ability to meet its obligation to injured employees and volunteers under the AWCA. The CBJ's ability to pay is an issue which is reviewed annually, and more often if necessary, by the Self-Insurance Administrator and the AWCB.

Finally we turn to the issue of our authority to enter an order binding the CBJ to provide workers' compensation coverage to volunteers during training. The CBJ argues that signing the proposed order will bind the AWCB and the CBJ to providing coverage to volunteer firemen during training. We do not agree. The discussion above is based on the assumption that the CBJ elects to provide the coverage under consideration, and elects to remain bound by that election. We must now consider how the AWCB can resolve a case where a volunteer fireman is injured during training, but due to a change in personnel or policy, or for whatever reason, the CBJ declines to voluntarily provide coverage to the injured volunteer.

Assuming such a "volunteer" is truly a volunteer, and not an employee<sup>5</sup>, we presume we would apply AS 23.30.243. Notably, that

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<sup>4</sup> We note that 8 AAC 46.120 requires that all records necessary to complete and verify the accuracy of all reports and documents submitted to the AWCB must be retained for three years.

<sup>5</sup> AS 23.30.265(12) provides: "'employee' means an employee employed by an employer as defined in (13) of this section."

statute does not mention firemen who are injured during training. Based on the plain language of the statute, it appears likely coverage under the AWCA would be denied. We do not issue advisory opinions. Furthermore, we find it would be improper to enter an order which appears to be contrary to the express language of AS 23.30.243. For those reasons we decline to execute the order proposed. We believe the most effective method of assuring volunteer firemen coverage under the Alaska Workers' Compensation Act is by means of an amendment of the AWCA, presumably AS 23.30.243.

At hearing, the CBJ informed us that legislation had been introduced in 1992 which would have amended AS 23.30.243 by adding "training" to the scope of its coverage. We recognize that volunteer firemen are an important and valuable community asset. It is obvious that in order to become and remain qualified to engage in fire fighting and related emergency activities, volunteers must engage in training, and that they should have insurance in the event they are injured while engaging in such authorized activities. This panel favors amending AS 23.30.243 in order to provide coverage under the AWCA to volunteer firemen while they engage in authorized training activities. A copy of this Decision and Order shall be forwarded to the Commissioner of Labor, who is also the Chairman of the AWCB, with the request that he consider an appropriate amendment to the AWCA.

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AS 23.30.265(13) provides: "'employer' means the state or political subdivision or a person employing one or more persons in connection with a business or industry coming within the scope of this chapter and carried on in this state."

We determine if a person is an employee by applying the "relative-nature-of-the-work test." This multi-part test is set out in 8 AAC 45.890. Obviously we have insufficient information to determine if a hypothetical "volunteer" may qualify as an "employee" for the purposes of this decision.

ORDER

The proposed order is denied.

Dated at Juneau, Alaska this 17th day of FEBRUARY, 1993

ALASKA WORKERS' COMPENSATION BOARD

/s/ LAWSON N. LAIR  
Lawson N. Lair, Designated Chairman

/s/ DON KOENIGS  
Don Koenigs, Member

UNAVAILABLE FOR SIGNATURE  
Nancy J. Ridgley, Member

APPEAL PROCEDURES

A compensation order may be appealed through proceedings in Superior Court brought by a party in interest against the Board and all other parties to the proceedings before the Board, as provided in the Rules of Appellate Procedure of the State of Alaska.

A compensation order becomes effective when filed in the office of the Board, and unless proceedings to appeal it are instituted, it becomes final on the 31st day after it is filed.

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of the Decision and Order in the matter of The Self-Insurance Certificate of THE CITY AND BOROUGH OF JUNEAU, ALASKA; dated and filed in the office of the Alaska Workers' Compensation Board in Juneau, Alaska, this 17th day of February, 1993.



Bruce Dalrymple  
Bruce Dalrymple

# ALASKA STATE FIREFIGHTERS ASSOCIATION

P.O. Box 2092, Cordova, Alaska 99574



March 31, 1993

Dear Sirs:

As President of the Alaska State Firefighters Association I am asking for your support to aid the passage of H.B. 221.

When I joined the Cordova Volunteer Fire Department I was told I was covered by the Alaska Worker's Compensation Act (AWCA). It was my understanding that this was whenever I participated in department training drills, I performed maintenance duties, responded to emergencies or took part in sanctioned Fire Department activities.

There is now some question as to the level of coverage volunteers have. After a training accident at the William Hagavig Regional Training Center last year there was a delay in assuring coverage for two injured firefighters. This is not acceptable! The level of coverage needs to be clarified in the AWCA to ensure adequate coverage for all volunteer fire fighters state wide. H.B. 221 will do this.

To give a little background to this issue consider that the Alaska Worker's Compensation Board (AWCB) stated in a ruling handed down Feb 17, 1993, that "Assuming such a 'volunteer', is truly a volunteer, and not an employee, we presume we would apply AS 23.30.243. Notably, that statute does not mention firemen who are injured during training. Based on the plain language of the statute, it appears likely coverage under the AWCA would be denied." The AWCB goes on to say. "We believe the most effective method of assuring volunteer firemen coverage under the Alaska Workers' Compensation Act is by means of an amendment to the AWCA, presumably AS 23.30.243."

Last fall I wrote a letter of support for what became H.B 150. I now feel the addition of the wording "participating in training" is not going to cover volunteers adequately. Volunteers perform many functions in addition to training. These include pre fire planning, fire investigation, building and equipment maintenance, administrative duties, fire investigation and teaching fire prevention to citizens. These are only a portion of the activities volunteers may participate in to maintain a fire department.

On March 12, 1993 Representative Bill Hudson and Representative Ben Grussendorf introduced H.B. 221. This bill assures that Volunteer Ambulance Attendants, Police Officers and Fire Fighters are considered employees of the municipality in which they provide thier services. As employees they would receive the same coverage as a paid person which is only right since they are all taking the same risks while performing the same tasks.

H.B. 221 is appropriate and needs your full support.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert J. Plumb", with a long horizontal line extending to the right.

Robert J. Plumb, president

03/25/93  
12:37:36

PUBLIC OPINION MESSAGE SYSTEM  
MEMBER OFFICE#HUD Hudson

POMS100  
#LHSCDEB  
#WASTEBASKET

From: #Mr. Greg Hayden  
Box 1826

#Valdez

#AK#99686

#Tel:#835-4560

#Bill# #HB 221 #Title:#WORKERS COMP:VOLUNTEER FIRE FIGHTERS, ETC  
#Subject#

#SUPPORTS THIS LEGISLATION

#Message:#THANK YOU FOR INTRODUCING HB 221 IN SUPPORT OF VOLUNTEER  
FIREFIGHTERS. THIS BILL IS EXTREMELY IMPORTANT TO US. SINCERELY, GREG HAYDEN,  
VALDEZ VOLUNTEER FIREFIGHTERS ASSOCIATION.

#Entered By: LIOCDJG on 3/25/93 PomID 9009 Distribution# 1

#MSG:#

#Enter#Next Message #PF4#Menu #PF6#WasteBasket #PF7#Previous POM #PF10#BigWaste

4B[

M-M27 LINE 1 COL 1

04/01/93  
13:53:30

PUBLIC OPINION MESSAGE SYSTEM  
MEMBER OFFICE HUD Hudson

POMS100  
LHSCDEB  
WASTEBASKET

From: Mr. Pat  
Box 240282

Eggers

Douglas

AK99824

Tel: 364-3366

Bill# HB 221 Title: WORKERS COMP: VOLUNTEER FIRE FIGHTERS, ETC  
Subject:

SUPPORTS THIS LEGISLATION

Message: WE NEED HB 221. I REPRESENT THE FIREFIGHTERS IN YOUR AREA AS FIRST VICE-PRESIDENT OF ALASKA STATE FIREFIGHTERS ASSOCIATION. THIS BILL IS OUR TOP PRIORITY THIS YEAR. PLEASE LEND YOUR SUPPORT FOR THIS IMPORTANT CLARIFYING BILL. THANK YOU VERY MUCH.

Entered By: LIOCJIM on 4/ 1/93

PomID 10372

Distribution 7

MSG:

Enter Next Message PF4 Menu PF6 WasteBasket PF7 Previous POM PF10 BigWaste

4B[

M-M27 LINE 1 COL 1



Cordova Volunteer Fire Department

FIRE CHIEF DEWEY WHETSELL

P.O. Box 304  
Cordova, Alaska 99574  
(907) 424-6100

Royce —

March 23, 1993

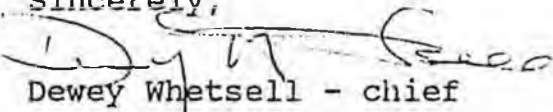
The Honorable Bill Hudson  
Alaska House of Representatives  
Juneau, Alaska

Dear Representative Hudson:

On behalf of the fifty volunteers of the Cordova Volunteer Fire Department, I would like to thank you for introducing H.B. 221. This bill is extremely important to us. In these times of changing legal complexities, it is important to try to protect a 270 year old American institution -- the Volunteer Fire Department. So many people depend entirely on volunteers for protection. It is vital that we protect the men and women that make up this institution.

Thank you very much.

Sincerely,

  
Dewey Whetsell - chief

Michael L. Gundlach  
PO Box 1236  
Cordova, AK 99574  
March 23, 1993

The Honorable Bill Hudson  
Alaska House of Representatives  
Juneau, Alaska

Dear Representative Hudson:

Thank-you for introducing H.B. 221 in support of Volunteer Firefighters. This bill is extremely important to me and the members of the Cordova Volunteer Fire Dept. and the citizens of the City of Cordova.

Sincerely,



Michael L. Gundlach  
Captain, CVFD





# Alaska State Legislature

REPRESENTATIVE BILL HUDSON

State Capitol  
Juneau, Alaska  
99801-1182  
(907) 465-3744

## COMMITTEES

CHAIR  
Labor & Commerce  
VICE CHAIR  
Resources  
MEMBER  
Transportation  
Regulation Review  
Economic Development  
Task Force

## SPONSOR STATEMENT

### HOUSE BILL 221

House Bill 221 was introduced to clarify Workers' Compensation statutes that have been the cause of much confusion or misinterpretation, particularly with regard to benefits for volunteers.

Workers compensation benefits are intended, subject to minimum and maximum limits, to replace the lost wages of injured workers. Section 1 of HB 221 recognizes that volunteers should receive wage replacement based on the actual wages lost or the comparable wage they would receive were they paid employees rather than volunteers. Current law limits wage loss benefits for volunteer fire fighters, for example, who may have high earning capacity in their regular employment, to the benefits based on the wage paid a carrier fire fighter. House Bill 221 corrects the inequities in benefit calculations for volunteer ambulance attendants, police officers and fire fighters by calculating compensation based on the higher wage earned.

Section 2 of HB 221 is to clarify the original intent of AS 23.30.243, which is to extend coverage for volunteer fire fighters. In the past year, compensation benefits for volunteer fire fighters, while engaged in fire department activities other than responding to emergencies, has been questioned. Since "employees" are covered for injuries arising out of and in the course of employment, volunteer fire fighters are similarly covered. Unfortunately, AS 23.30.243 has been misinterpreted to limit coverage only to those instances where the volunteer was responding to an emergency. This section was originally intended to extend coverage, not limit it.

Therefore, in order to restore the original intent of AS 23.30.243, and to clarify once and for all that volunteers are employees and are covered as any other employee for the purposes of workers' compensation, Section 2 of HB 221 amends AS 23.30 by adding a new section that defines volunteer ambulance attendants, police officers and fire fighters as "employees."



Section 3 repeals AS 23.30.092. This statute has been interpreted to mean that a municipality "may" provide workers compensation coverage for volunteers. Conversely, it may be incorrectly interpreted to mean that a municipality may elect not to provide coverage. In reality, this section provides that an alternative policy may substitute for a workers' compensation policy so long as the benefits are equal or better than a statutory workers' compensation policy. However, this section has done nothing but cause confusion and I believe repealing it will clarify that all volunteers who meet the definition in AS 23.30 must be covered by workers' compensation.