

1 SB63  
2 124245-1  
3 By Senator Allen  
4 RFD: Banking and Insurance  
5 First Read: 01-MAR-11

2  
3  
4  
5  
6  
7  
8 SYNOPSIS: Under existing law, volunteer fire  
9 departments may elect to purchase insurance  
10 providing workers' compensation coverage.

11 This bill would allow two or more volunteer  
12 fire departments certified by the Alabama Forestry  
13 Commission to enter into contracts or agreements to  
14 establish a workers' compensation pool for payment  
15 of workers' compensation.

16 This bill would allow the Department of  
17 Industrial Relations of the State of Alabama by  
18 rule to adopt requirements for the administration  
19 of a workers' compensation pool established by two  
20 or more volunteer fire departments including  
21 separation or commingling of funds, accounting,  
22 auditing, actuarial standards, and procedures.

23  
24 A BILL  
25 TO BE ENTITLED  
26 AN ACT  
27

1           Relating to certified volunteer fire departments; to  
2 allow two or more volunteer fire departments certified by the  
3 Alabama Forestry Commission to enter into contracts or  
4 agreements to establish a workers' compensation pool for  
5 payment of workers' compensation claims; and to allow the  
6 Department of Industrial Relations by rule to adopt  
7 requirements for the administration of a workers' compensation  
8 pool including separation or commingling of funds, accounting,  
9 auditing, reporting, actuarial standards, and procedures.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11           Section 1. Two or more volunteer fire departments  
12 certified by the Alabama Forestry Commission may enter into  
13 contracts or agreements pursuant to this section to establish  
14 a workers' compensation pool to provide for the payment of  
15 workers' compensation claims pursuant to Title 25, Chapter 5,  
16 Code of Alabama 1975, on a cooperative or contract basis or  
17 may jointly form a nonprofit corporation or enter into a trust  
18 agreement to carry out this section in their behalf directly  
19 or by contract with a private party. A workers' compensation  
20 pool established pursuant to this section may provide coverage  
21 for workers' compensation, employers' liability, and  
22 occupational disease claims. The Department of Industrial  
23 Relations by rule may adopt requirements for the  
24 administration of a workers' compensation pool under this  
25 section, including separation or commingling of funds,  
26 accounting, auditing, reporting, actuarial standards, and  
27 procedures.

1                   Section 2. This act shall become effective on the  
2 first day of the third month following its passage and  
3 approval by the Governor, or its otherwise becoming law.